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Supports for Independence and its Effect on Women

APRIL 1992

A Discussion Paper prepared for the
Alberta Advisory Council on Women's Issues

by

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Calgary, Alberta

ALBERTA
ADVISORY
COUNCIL
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The issue of economic self-sufficiency for women has been an ongoing concern for members of the Economic Committee of the Alberta Advisory Council on Women's Issues. When Alberta Family and Social Services announced the new Supports for Independence Program in the Spring of 1991, the Economic Committee decided to commission a project to examine this program. Specifically we wished to determine whether it could be successful in assisting women to become independent of government support.

Through a series of advertisements the Committee asked interested parties to submit a workplan and a budget on the project. The advertisements ran in newspapers across Alberta during the late summer of 1991. Guyn Cooper Research Associates of Calgary were awarded the contract in September 1991.

The members of the Economic Committee of the Alberta Advisory Council on Women's Issues which commissioned the paper are

Lauraine Howatt (Grande Prairie), Chair
Donna Graham (Vulcan)
Gayle McKenzie (Blue Ridge)
Derryn Yeomans (Red Deer)
Amal Umar (Calgary)
and
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Laurie Blakeman, Executive Director AACWI

The Alberta Advisory Council on Women's Issues was established in 1986. Its mandate is to work toward the full and equal participation of women in the life of the province by identifying issues of concern to women and making recommendations on these issues to the Government of Alberta.

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I. EXECUTIVE SUMMARY

Across Canada, provincial governments are seeking new solutions and alternate approaches to welfare. Our national safety net of social security programs is not meeting the needs of a growing number of Canadians. Most affected by welfare shortcomings are women and children. In Alberta, welfare reforms have been introduced to address these problems. These reforms are intended to reduce costs, improve efficiency, and better assist recipients.

The issue of economic self-sufficiency for women has been an ongoing concern for members of the Economic Committee of the Alberta Advisory Council on Women's Issues. When Alberta Family and Social Services announced the new *Supports for Independence Program* in the Spring of 1991, the Economic Committee decided to commission a project to examine this program. Specifically we wished to determine whether it could be successful in assisting women to become independent of government support. Guyn Cooper Research Associates of Calgary were awarded the contract in September 1991.

The overriding objective of the *Supports for Independence Program* is to reduce the welfare rolls and save money by helping recipients, especially women, find jobs and become self-sufficient. Assessment of *Supports For Independence* is limited by the absence of any built-in mechanism to track the success rates of recipients who go through the program, and by the fact that it has only been in place for one year.

Positive Steps

The program includes some very positive initiatives to address some of the barriers women face in leaving welfare. It improves the child care benefit available to recipients. It allows women with small children the choice of remaining in the home or pursuing work and training options. It addresses inequities caused by worker discretion and eliminates humiliating budget deficit assessments by standardizing the benefits package. Its policy states that it recognizes that most people don't want to be on welfare and would rather be working, and it certainly intends to help women access training and upgrading programs.

Barriers to Independence

Six major barriers to independence were identified:

1. eligibility and needs tests that create hardships and perpetuate dependence on the system;

2. inadequate rates of assistance;
3. complex and inefficient systems;
4. unfair, arbitrary, and intrusive enforcement practices;
5. disincentives to work; and
6. inadequate and inappropriate education and training options.

None of these is overcome by *Supports For Independence*. For instance, requirements still demand that a woman be reduced to abject poverty before receiving benefits, making her entirely dependent on the system. No efforts are made to accommodate the unique needs of immigrant women, native women, or women with disabilities.

Benefits have been somewhat standardized under *Supports For Independence*, reducing worker discretion and inequities in benefit levels. However, the amount of benefits has been reduced for single recipients and single-parent families. Since most single-parent families are headed by women, this appears to be an unfair distribution of benefits. Low benefit levels ensure that recipients spend all their energy trying to survive each month, rather than planning for the future.

The quality of service delivered to native women and to some immigrant women is described by the women interviewed and native social workers as "particularly poor." Many stories of discrimination were related by native women. Likewise, the experiences of some immigrant women demonstrate limited understanding of and acceptance by some income security workers of the roles of women in different cultures.

Service Delivery

There appears to be a shortage of Employment and Client Support Services Workers in many offices. Since the efficient guidance of clients into appropriate training and career development is vital to the success of the *Supports for Independence Program*, the need for adequate numbers of Employment and Client Support workers cannot be overemphasized. As well, cost-benefit calculations show that staff salaries are only a minor part of the total cost of providing social assistance. It would make economic sense to invest in sufficient staff and reap the large cost savings that result from caseload decreases.

The level of qualifications required for the hiring of Financial Benefit workers may be too low. Individuals with clerical as opposed to social work training may have difficulty handling such important decisions, especially under the pressure imposed by large caseloads.

The new system of specialist service delivery is a key element in the

Supports for Independence Program. While there appears to be some merits to the team approach to delivery, it lacks certain elements that it requires to function. The specialist model as it now functions complicates, rather than simplifies, service delivery. Women are not receiving the support they need to become independent; rather, reliance on the system is perpetuated. Services are less accessible to all women, and especially women with disabilities and women whose English-language skills are limited.

Enforcement

Supports For Independence initiatives include tough new enforcement measures, designed to rid the welfare system of cheats and recipients unmotivated to find work. Particularly unfair is the "spouse in the house" rule, which is believed to contravene the equality provisions of the *Canadian Charter of Rights and Freedoms*. Benefit suspension and termination practices are also unfair. Benefits are so fragile that they can be suspended on the basis of mere allegations of wrongdoing.

Aside from simply terminating the benefits of recipients who don't find work in a given time period, disincentives to work are not addressed by *Supports For Independence*. Earnings from part-time employment are taken away, and health, child care, and transportation benefits are reduced or lost when a recipient finds work.

Training

Even if *Supports For Independence* was able to address all these problems, its greatest deficiency is the area of training. Given Canada's changing economy and labour force needs, the kind of training provided and the occupations into which recipients are being directed will not provide women with the stable income and benefits that will allow them to independently support themselves and their families. The assumption that short-term life skills and clerical training will provide women with the skills they need to be independent is false. As the schism in the labour market between highly trained, technical workers and unskilled labourers widens, most women who did find work will become unemployed and return to the welfare system. Those who remain employed will be doomed to a life of poverty in the pink-collar ghetto. The costs of increased crime, illness, and the other conditions engendered by poverty will be borne by society.

Conclusion

This paper was developed as an information resource for women in the community, social assistance recipients, policy makers, community support agencies and government officials who are working on this issue. Because it is clear that much more thought must be given to the methods by which women on welfare can be given the means to achieve true independence, we encourage you to read the complete document and add your thoughts to ours.

Copies of the full paper *Supports For Independence and Its Effect on Women* are available from the AACWI office.

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The Alberta Advisory Council on Women's Issues (AACWI) was established in 1986. Its mandate is to work toward the full and equal participation of women in the life of the province by identifying issues of concern to women and making recommendations on these issues to the Government of Alberta.

II. INTRODUCTION

Across Canada, provincial governments are seeking new solutions and alternate approaches to welfare. Our national safety net of social security programs is not meeting the needs of a growing number of Canadians. Most affected by welfare shortcomings are women and children.

In Alberta, welfare reforms have been introduced to address these problems. These reforms are intended to reduce costs, improve efficiency, and better assist recipients.

Alberta's initiatives follow measures taken in other provinces over the past decade. In the 1980s, most provinces assessed and re-modelled their social allowance programs in response to economic and social changes in Canada. Since it was introduced in Canada, welfare had been intended to provide income to people who could not work and had no other means of support. Over the past decade, however, four factors have forced governments to re-think social allowance:

(1) economic downturns causing increasing unemployment and the greater proportion of employable people applying for welfare;

(2) the changing nature of employment; that is, advances in technology, the disappearance of some jobs, and the growth of the service industry and short-term, low-paid jobs;

(3) the changing structure of the family, including urbanization, greater female labour force participation, smaller numbers of children, higher divorce rates, and more sole-support mothers with young children;

(4) de-institutionalization of people with disabilities.[1]

Alberta's response to these changes is a new social allowance program called *Supports For Independence*. The program was introduced in March 1991 and reforms have been gradually implemented across the province. The most significant changes are to the benefit structure and the delivery system. These reforms have important implications for women. The *Supports For Independence Program* is based on the view that, for many welfare recipients, there are built-in disincentives to seek work and become self-sufficient. The new system attempts to reduce caseloads and save money by increasing recipients' responsibility for their own well-being and providing extra support to recipients to upgrade their skills and find employment. Most of this new support is directed to women.

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[1] Canadian Council on Social Development (CCSD), *Work and income in the 90s*, Working Paper No. 8: Proposals for discussion, Phase One - Income security reform, 1987; Ontario Social Assistance Review Committee (SARC), *Transitions*; Alberta Family and Social Services, *One step at a time: Supports for independence*,.

The question addressed in this paper is whether the new benefit structure and delivery system of *Supports For Independence* will actually help women to become self-sufficient. Evaluation of the program is limited by the fact that its implementation has barely been completed. This means that success rates of women leaving the program, finding and maintaining employment will not be available.

There are, however, other measures available to predict whether *Supports For Independence* can and will meet its objectives. If the program is to be helpful to women, two main requirements must be satisfied: (1) it must correctly identify the reasons women end up on welfare as well as the barriers and disincentives to leaving; (2) it must provide real, appropriate, and cost-efficient ways of overcoming these barriers.

Each of these two requirements will be investigated. First, the needs and situations of women in poverty, the structure and administration of welfare in Canada, and the ways in which social assistance programs accommodate or perpetuate those needs will be examined. Second, based on the literature, social allowance policy, extensive interviews, and a survey of recipients, the abilities of *Supports For Independence* to address each of these problems will be assessed. Finally, based on the results of an economic analysis of the program, the program will be assessed for cost-efficiency.

III. METHODOLOGY

Five tools were used to assess the *Supports For Independence Program*:

(1) An overview of the history and current status of welfare programs in Canada based on a review of the literature and legislation;

(2) A comparison of the old social allowance system and the new *Supports For Independence Program* based on Social Services' literature and manuals;

(3) A user survey consisting of a two-page questionnaire;

(4) Telephone and in-person interviews with clients, welfare workers, social workers, welfare support groups, service providers, community workers, social policy analysts, employment trainers, union representatives, women's groups, lawyers, employers, business leaders, and Department of Family and Social Services administrators;

(5) An economic analysis of the new program.

The survey questionnaire was designed to assess recipients' awareness of the *Supports For Independence Program*, any problems they have experienced with it, how well the program is meeting their needs, their employment expectations, and what training programs they are in, if any. For statistical purposes, demographic information was also requested.

Following the completion of a pilot study of twelve recipients, a sample population was obtained by distributing survey forms to welfare support groups, training classes for welfare recipients, women's centres, and personal contacts. Field staff were also hired in the Peace River-Grande Prairie and Red Deer regions to increase the number of rural respondents. Efforts were made to ensure that respondents included immigrant, native, and women with disabilities, and women from a wide age range. The survey sample demographics are illustrated in a series of tables in the appendix.

This sampling technique has the drawback of not being random, so caution must be exercised in making inferences to the general population of women on welfare. However, the sample can still provide a great deal of useful information if treated as a large case series.

Personal and telephone interviews were conducted with as many groups and individuals as time permitted. This list is not exhaustive.

- 44 personal and telephone interviews were conducted with recipients.
- A total of 23 welfare workers were interviewed, 10 of whom were obtained by randomly telephoning workers around the province requesting interviews. An additional 13 workers were obtained by contacting names provided by the first 10 workers interviewed and by personal contacts.
- 12 administrators at various levels of authority and from various departments of Family and Social Services throughout the Province.
- Spokespersons from the following support groups were interviewed: the Bissell Centre, the Boyle Street Co-op, Humans On Welfare, the Edmonton Social Planning Council, the Calgary Centre for Income Security, and the Calgary Poverty Focus Group.
- Business leaders contacted included the former Chairperson of the Calgary Chamber of Commerce, the Chairperson of the Human Resources Committee of the Calgary Chamber of Commerce, the Canadian Federation of Independent Business, and a rural Chamber of Commerce Chairperson.
- Spokespersons and social policy analysts from the following organizations were interviewed: Canadian Council on Social Development, the Calgary Association of Women and the Law, the National Association of Women and the Law, the Calgary John Howard Society, the Alberta Status of Women Action Committee, National Council of Welfare, the Alberta Civil Liberties Association, and the Elizabeth Fry Society (Calgary).
- Service providers interviewed included representatives of 3 native centres, Calgary Legal Guidance, and the Calgary Inter-Faith Food Bank.
- Trainers were interviewed from the Four Worlds Development Centre, the Contemporary Woman Program, the Columbia Institute, McManus and Associates, Cornerstone Communications, and two community colleges.
- 5 women's employment counsellors were interviewed.
- 4 employers who have hired recipients under training programs were interviewed.

The groups and individuals contacted for this paper are summarized below in Table 1.

Table 1

Category	Metro	Urban	Rural	Total
Social Workers	14	3	6	23
Recipients	102	27	9	138
Support groups	7			7
Business people	2	1	3	6
Service providers	12	1		13
Expert analysts	7		1	8
FSS administration	10	1	1	12
Employment, training	8	6	1	15
Social Work unions	1			1
Total	163	39	20	222

This table shows the number of individuals and groups contacted during the course of the Supports for Independence study. Metropolitan centres are those with populations over 500,000; urban centres have populations over 50,000, and rural areas have populations fewer than 50,000.

An economic analysis was conducted to assess some of the economic implications of the *Supports For Independence Program*. Since the program does not include any component to track how many recipients are finding work, estimates are based on a prediction of what would happen if government predictions are correct. The analysis includes an estimate of the time required to recover the initial costs of the *Supports For Independence Program*. This estimate is based on the cost of the program, the expected caseload decrease, benefit levels for several groups, potential reductions in staff costs, and expected tax revenues from women leaving welfare.

Estimates of how much it would cost the provincial government to increase Social Assistance rates were also made.

IV. WOMEN AND POVERTY IN CANADA

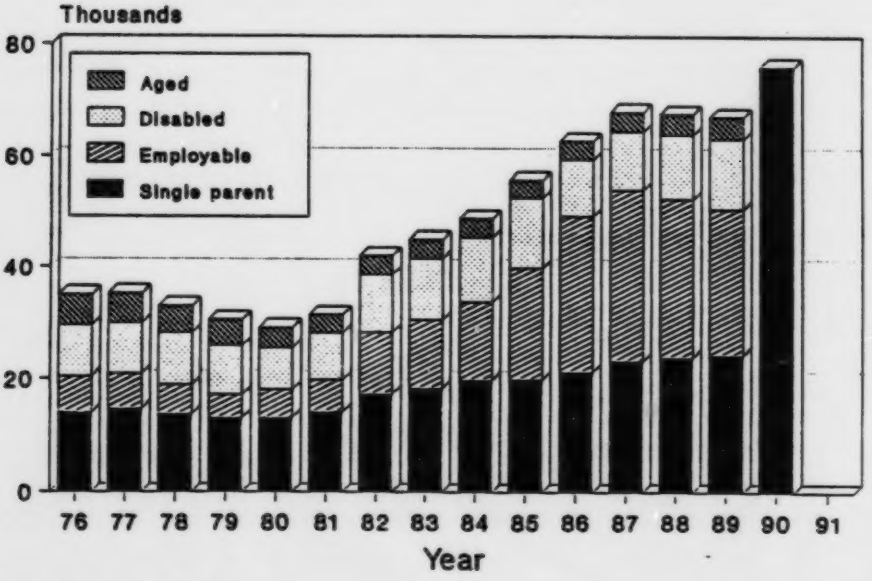
Women who have been on welfare could run this country. Living with nothing takes a lot of ingenuity.- Social Allowance Recipient

A. Women and the Welfare Rolls

Over 7.5% of Alberta's total population, including over 10% of its children, are entirely or partially dependent on social assistance. As of January 1992, 167,640 people (76,200 cases of 2.2 recipients) were receiving welfare benefits, as compared with 147,400 (67,000 cases) one year earlier. [2] This is an increase of 14%, and means that an additional 1.5% of the population is receiving benefits.

Table 2

Proportions of Individuals Receiving Social Assistance in Alberta, 1976-91*



* from AFSS annual reports

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[2] Alberta Family and Social Services data.

The Department of Family and Social Services attributes 54% of this increase to growing unemployment; 28% to changes in the Unemployment Insurance Plan, including shorter benefit periods and more stringent work requirements; and 18% to migrants from other provinces looking for work.[3] Although about 10,000 recipients left the system every month, they were replaced by a larger number of new or returning clients.[4] No explanation of why these recipients left the system or whether they returned is offered by the Department.

Single women and single mothers make up 53% of social assistance recipients in Alberta. At present, about 40% of all recipients are single parents, and 96% of these are women. [5] The Alberta government reports that the proportion of the total welfare caseload consisting of single mothers has remained relatively constant over the past twenty years. **What has changed is the growing number of families headed by women who require benefits to supplement their work income in order to provide for basic needs.**[6]

Women on welfare make up a sub-group of recipients with distinct characteristics. Most have children, low education levels, few job skills, and many obstacles preventing them from getting off welfare in the short-term. An Ontario study found that, because of family responsibilities and lack of employment skills and supports, single mothers spend longer periods on welfare than other groups, and the length of time they are away from the work force itself acts as a barrier to their return to paid work. **The Ontario study also showed a clear relationship between the level of child support payments received by single mothers and the length of time they stayed on assistance.** The women who received no maintenance relied on welfare for twice as many years as those receiving over $200 a month in support payments.[7]

B. The Price of Poverty

In Canada, 2 million women live in poverty, and one poor family in three is headed by a single mother.[8] **Alberta has the second highest child poverty rate in Canada,** just two-tenths of a percent behind

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[3] Government of Alberta news release, August 9, 1991.

[4] Government of Alberta news release, August 9, 1991.

[5] Alberta Family and Social Services data.

[6] Alberta Family and Social Services, *One step at a time*; interview, Tracy Dawson, Centre For Income Security.

[7] Ontario SARC, *Transitions*, p. 44.

[8] Statistics Canada, *Women in Canada*.

Newfoundland's 25.9%.[9] While "poverty" is a relative term, the low income cut-off as calculated by the National Council of Welfare is generally recognized as the "poverty line." For a city of 500,000 or more, the poverty line for a single person is $15,004; for a family of four, $29,766.[10]

Poverty is associated with a host of social and individual ills. The connection between poverty and ill-health is widely recognized.[11] Differences in health risks and health status are influenced by people's social, physical, and economic environments. Compared with higher-income groups, low-income women experience a greater prevalence of health problems, are ill more often, and require more hospital care. They are more than twice as likely to suffer from mental disorders, and have on average 7.6 fewer years of life that are disability-free. They are more likely to die from accidents, poisonings, violence, and respiratory and digestive disorders. [12]

Poverty and crime are also clearly linked. According to the Women Against Poverty report of the Alberta Status of Women Action Committee, women who come in conflict with the law are generally young, undereducated, unskilled, and poor. And almost 60% of women's crimes are for property offences such as cheque fraud, shoplifting, welfare fraud, and possession of stolen property. [13]

We also know that poverty takes an enormous toll on children. Poor women have babies that are less healthy and of lower birthweights than those of wealthier women. Also, recent studies show that children from low-income families have lower self-esteem and more behavioral problems than children from wealthier families; in fact, children from families in the bottom five to ten percent income bracket are three times as likely as wealthier children to develop these problems. These differences are not attributable to marriage breakdown or divorce, but to the stresses of living in poverty for both children and parents.[14]

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[9] Statistics Canada data, as cited in the *Calgary Herald*, February 23, 1992.

[10] National Council of Welfare, Estimated 1991 Low Income Cut-offs (November, 1991). The NCW arrives at these figures by calculating the level at which more than 58.5% of gross income is spent on food, shelter, and clothing. Similarly, Statistics Canada considers a family to be "low income" if more than 60% of its income is spent on those items.

[11] Ontario SARC, *Transitions*, p. 460.

[12] ibid.

[13] Alberta Status of Women Action Committee (ASWAC), *Women against poverty*.

[14] Ontario child health study, McMaster University, 1991; Geoff Nelson study, Wilfred Laurier University, 1991, cited in the *Calgary Herald*, October 21, 1991.

Children living in poverty also run the same and sometimes greater health risks than their mothers, and tend to perform less well in school than children from wealthier families. According to a spokesperson for the Calgary Food and Nutrition School (FANS) Program, which provides about 2,900 meals to children in 48 Calgary elementary schools each week, 20% of all children go hungry. This is said to hinder concentration and learning.[15]

Women are most at risk of poverty during two periods of their lives: while they are raising children, and when they retire. According to the National Council of Welfare, in 1987, 75% of never-married single mothers, 52% of previously married single mothers, and 44% of unattached women over the age of sixty-five were living in poverty.[16] Poverty rates are higher yet among aboriginal, disabled, and immigrant and visible minority women.

C. The Causes of Poverty

Many factors contribute to women's poverty. Risk factors include women's roles in the family, occupational segregation and job ghettos, lower salaries, sexual and racial discrimination. This list is not intended to be exhaustive.

1. Women, Marriage, and Families

Historically, women have been responsible for raising children and caring for their families. Women have had very limited choices about working outside of the home, and many women grew up believing that marriage would be their "career" and protect them from poverty. In fact, of the 87% of women who marry, 30% separate or divorce and 41% are widowed.[17] After a divorce, a woman's income typically drops by 30-40%; a man's typically increases by up to 70%.[18] And at least two-thirds of ex-husbands in Alberta default on their maintenance payments.[19]

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[15] C.B.C. radio and personal interviews with Carol Hermanson, spokesperson, Food and Nutrition School Program.

[16] National Council of Welfare, *Women and poverty revisited*, pp. 8-9.

[17] ibid. pp. 16-17.

[18] ASWAC, *Women against poverty*, p. 36.

[19] 1989 figures tabled in the Alberta legislature, cited by Marie Laing, New Democrat women's issues critic, in the *Calgary Herald*, March 19, 1992..

2. Divisions of Labour

In Alberta, about 85% of working women are employed in the service sector,[20] in which work weeks are shorter and hourly salaries lower than in goods-producing sectors, where men's jobs are concentrated.[21] Alberta research shows that while women are moving into occupational categories traditionally held by men, they are still far behind. In Alberta, women comprise only 22% of senior managers and owners of large companies. As well, women hold 77% of clerical and sales positions, and only 27% of skilled workers (for example, mechanics or bricklayers) jobs in the province.[22]

80% of all part-time workers in Alberta are women.[23] Part-time jobs generally offer low salaries, very few have pension or benefit plans, and most are not unionized. As well, many women do not work the fifteen-hour-per-week minimum to be eligible for Unemployment Insurance benefits.

Mobility in the work force is also limited by gender and race. A recent Statistics Canada study shows that men continue to experience more upward mobility than women although men average fewer years of education, and young foreign-born women continue to experience the least upward mobility of any demographic group.[24]

3. The Wage Gap

While 60% of all working-age women in Alberta are in the labour force, the average full-time salary for Alberta women in 1987 was about $21,000, compared with $32,000 for men. Statistics Canada data show that, on average, women with the same education and skills as men performing similar work are paid between $6,000 and $10,000 less per year.[25] At least 25% of aboriginal women versus 19% of other women in Canada have no income, and those who did averaged only about $10,000 per year.[26] These figures are comparable for women with disabilities, 16% of whom have no income, and 76% of whom earn less than $10,000 per year. As for immigrant women, their economic situation is greatly affected by racial discrimination and low levels of education. The National Council of Welfare points out that women from countries with largely black populations receive lower salaries than women from other countries with comparable qualifications.[27]

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[20] Statistics Canada, *Women in Canada.*

[21] Alberta Federation of Labour, cited by ASWAC, *Women against poverty,* p. 9.

[22] Cooper-Thomson and Associates study, cited by ASWAC, *Women against poverty,* p. 6.

[23] Statistics Canada, *Women in Canada.*

[24] Neil Guppy, *Ups and downs on the ladder of success,* Statistics Canada, 1991.

[25] Statistics Canada, *Women in Canada.*

[26] ibid.

As emphasized by the Edmonton Social Planning Council, low pay tends to bring problems later in life. The Canada Pension Plan is based on income, so those who contribute less or are absent from the workforce for any length of time receive smaller benefits later, and only about 35% of women in the labour force contribute to private pension plans. Old Age Security Benefits ($337 a month in 1989) and the Guaranteed Income Supplement (up to $361 per month) are available to women without a pension plan,[28] but this still leaves many elderly women living below the poverty line.

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[27] National Council of Welfare, *Women and poverty revisited*, pp. 112-22.

[28] Edmonton Social Planning Council, *Women and poverty: What gender engenders.*

V. AN OVERVIEW OF WELFARE IN CANADA

A. The Canada Assistance Plan

1. The Agreement

In Canada, the design, administration, and delivery of social assistance is the responsibility of the provincial governments. Most provinces initiated formal welfare and other social programs in the 1930s, when nearly one-quarter of the workforce was unemployed. Until the 1960s, there were no minimum or uniform standards for any social programs, including welfare. In 1966, however, the provincial and federal governments entered into an agreement whereby the federal government would agree to pay 50% of the cost of social programs if the provinces would agree to some rules about how they would operate. The result was the *Canada Assistance Plan* of 1966.

The *Canada Assistance Plan* consolidated a series of earlier laws dealing with specific programs into a comprehensive income assistance and social services program. The agreement covers general assistance, homes for special care, child welfare, welfare services, and work activity projects.[29] Violation of any of the conditions of the *Canada Assistance Plan* can result in suspension of federal contributions to the program. With respect to social allowance, the most important conditions required by the *Canada Assistance Plan* in granting money to the provinces are

(1) that the provinces provide adequate assistance to and in respect of persons in need. The assistance provided must be sufficient to provide for food, shelter, clothing, fuel, utilities, household supplies, and personal requirements;

(2) that the provinces act for the prevention and removal of the causes of poverty and dependence on public assistance;

(3) that eligibility is to be based on the fact and not the causes of need;

(4) that an appeals procedure be provided and made known to recipients.[30]

The first three requirements are open to interpretation. What constitutes "adequate" assistance varies tremendously among provinces. Equally debatable is the second requirement, and it might be argued that all provinces could be accused of failure. The third element, that eligibility is to be based on need, represents a major break with the past. It is intended to remove past distinctions between the deserving and undeserving poor. Historically, welfare programs have looked to the causes of a person's needs, decided whether or not she was to blame for her circumstances, and judged her as worthy or not worthy of assistance. For example, these grounds were used until the 1970s in some provinces to deny benefits to unmarried mothers and their children.[31]

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[29] Health and Welfare Canada, *Inventory of income security programs*, p. 221.

[30] *Canada Assistance Plan*, 1966-67: preamble.

How "need" should be defined under the *Canada Assistance Plan* is subject to debate. Wide discretion in the application of the "need" criterion has resulted in significant variations in assistance levels among the provinces. This is discussed in more detail in the section, "How Welfare Works."

2. The Cap on the *Canada Assistance Plan* (CAP)

The Alberta government's attempts to reduce welfare costs are in part a response to a reduction in the *Canada Assistance Plan* funds from the federal government. In 1990, in an effort to contain costs, the federal government introduced the *Government Expenditures Restraint Act, Bill C-69*, to amend federal-provincial fiscal arrangements for social programs, health care, and post-secondary education.[32]

As of March 1991, federal contributions to the *Canada Assistance Plan* amounted to $5.9 billion. About $1 billion of this was spent on direct welfare benefits in the form of income support. This represented an increase in federal spending of $4.3 billion, or 368%, over the past 15 years. (In constant dollars, however, the increase is more modest — $4 billion in 1976 to $5.9 billion in 1991.)[33] Most of this spending surge occurred during the recession in the early 1980s but, despite the economic recovery in the middle of the decade, social allowance caseloads and costs remained high.[34]

Bill C-69 proposed a two-year limit on federal spending under the *Canada Assistance Plan* in the three wealthiest provinces: Ontario, Alberta, and B.C. *Canada Assistance Plan* transfers were limited to 5% per year during the 1990-91 and 1991-92 fiscal years. This was subsequently extended to continue for three additional years to the end of the 1994-95 fiscal period. Any expenditures above this 5% cap would have to be paid by the provinces alone. The federal government estimated that it would save $2.14 billion over this five-year period.

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[31] Barbara Blouin, *Women and children last*.

[32] National Council of Welfare, *The Canada assistance plan: No time for cuts,; Calgary Herald*, August 15, 1991.

[33] Health and Welfare Canada 1990-91 Estimates, Part III, pp. 3-29, as cited in National Council of Welfare, *The Canada assistance plan*.

[34] National Council of Welfare, *The Canada assistance plan*, p. 14.

The federal government's power to make such unilateral changes to the *Canada Assistance Plan* was challenged by the affected provinces along with the Native Council of Canada and the United Native Nations of B.C. Despite the efforts of welfare groups, women's associations, native rights advocates, and the provinces, the Supreme Court of Canada decided in favour of the federal government in August 1991.

Arguing that the only alternative would be to increase taxes, Alberta's response to the Supreme Court ruling was an intention to keep increases in welfare payments under the 5% level.[35] Plans have since changed. Due to unforeseen caseload increases, an extra $130 million has been added to Alberta's welfare budget, bringing total payments to $889 million.

B. How Welfare Works

Most provinces in Canada have a single welfare system administered by the provincial government. In these systems, long-term benefits are generated by computer from provincial headquarters, and short-term and emergency assistance are issued manually by social workers in the individual offices. Ontario, Manitoba, and Nova Scotia, however, have "two-tier" systems, in which the province issues benefits to long-term clients, and the municipalities issue short-term and emergency aid. A portion of municipal payments is shared by the province, whose *Canada Assistance Plan* claim includes these municipal expenditures.

Under the *Canada Assistance Plan*, the only eligibility requirement for assistance in any province is need, regardless of its cause. Need is assessed using three criteria: asset ceilings, income ceilings, and needs testing.

First, each province sets a limit on the amount of liquid assets (money, stocks, bonds) and fixed assets (land, equipment, possessions) an applicant is allowed to have in order to qualify as being in need. The amount varies considerably among the provinces, and all except Ontario fall below the exemption levels permitted by the *Canada Assistance Plan*.

Second, once a recipient has been accepted to the welfare program, the amount of income she is allowed to earn and keep over and above her welfare benefits is limited. In most provinces, earnings up to a certain amount, e.g., $100, are exempt and earnings above this are deducted on a percentage basis from welfare benefits. In some provinces, working people whose earnings are sufficiently low are eligible for a supplement to bring their income to the welfare benefit level.

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[35] Dick Johnston, Alberta Treasurer, as quoted in the *Calgary Herald*, August, 1991

Finally, the "needs test" uses a "budget deficit assessment" approach to determine eligibility. This simply means that the amount of benefits paid to the recipient equals the difference between the amount of money available to her from other sources, like work or child support, and the amount that Social Services has decided is necessary to meet certain needs, like food and shelter. In most provinces, the amount of benefits paid is calculated for each category of benefits and some specific items.

Benefit levels also vary among provinces, and no two provinces use the same method of calculating rates of assistance. As a general rule, however, higher rates are paid to recipients categorized as somehow disadvantaged, and lower rates to the unemployed employable person. With the exception of Quebec, no province has indexed benefit levels to cost of living or inflation. Other provinces increase rates on an ad hoc basis, and usually grant selective increases that apply only to individual components of the benefit package, such as housing or transportation.[36]

Finally, common to all provinces is an "employability agreement" with the federal government. An increase in unemployment and welfare caseloads in the early 1970s led to "Federal-Provincial Agreements on Enhancement of Employment Opportunities for Social Assistance Recipients" in the 1980s. They are called "four-cornered" agreements because they involve social assistance and employment departments at both the federal and provincial levels. They re-allocate Unemployment Insurance and social assistance funds to training programs for recipients. The nature of these agreements is not uniform among the provinces.[37]

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[36] Health and Welfare Canada, *An inventory of income security programs* ; National Council of Welfare, *Welfare in Canada: The tangled safety net*,; Michael Goldberg, *Regaining dignity: An examination of subsistence costs and adequacy of income assistance rates (GAIN) in British Columbia*; Michael Goldberg, *Closing the gap: A comparison between the costs of daily living and income assistance rates (GAIN) in B.C.*,; Saskatchewan Department of Social Services, *A productive welfare system for the 80s: A review of the Saskatchewan assistance plan;* Ontario SARC, *Transitions*; Advisory Group on New Social Assistance Legislation, *Back on track*; New Brunswick Advisory Council on the Status of Women, *Women and financial assistance in New Brunswick: A preliminary study*; Blouin, *Women and children last;* Council of Nova Scotia Association of Social Workers, *How will the poor survive? A discussion paper on the current social assistance system in Nova Scotia.*

[37] Health and Welfare Canada, *An inventory of income security programs.*

VI. WOMEN AND WELFARE: THE PROBLEMS

Social policy analysts consistently identify the following major flaws in all provincial welfare systems:

- eligibility and needs testing
- inadequate rates of assistance
- unnecessarily complex systems
- unfair enforcement practices
- barriers to self-sufficiency
- inadequate education and job training[38]

A. Eligibility and Needs Testing

Most social policy analysts agree that eligibility requirements and needs testing are humiliating, create immediate hardship for women and families, and make it more difficult to become self-sufficient in the long run.[39] By definition, assets are possessions that are expected to produce income. Low fixed asset exemption levels mean that welfare applicants may be required to give up tools that could have helped them to become self-supporting, such as computer equipment or a printing press. Or, for instance, a former farmer would be required to sell her livestock and machinery, and possibly the vehicle she would have used to drive herself to an urban area to work.[40] It is argued that sale of assets is especially damaging when the likelihood of remaining on assistance for a long period is small, and the applicant hopes to return to her former or related work.[41]

Low liquid asset (cash, stocks, bonds) exemption levels mean that women must spend all their savings before they can obtain welfare benefits. Having divested themselves of any financial reserves, they are left without any resources when their welfare benefits are delayed or temporarily suspended, or when emergency expenses arise. Even in the best of systems, it takes time for emergency benefits to be issued.

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[38] The first five flaws are identified in the following reports, among others: *Royal Commission on the Economic Union and Development Prospects for Canada, Report*, Part V, Chapter 19, p. 783. (hereafter the MacDonald Commission); Ontario SARC, *Transitions*, pp.52-54; National Council of Welfare, *Welfare in Canada:*; Canadian Council on Children and Youth, *The new thinking on social assistance in the 90s,*; The sixth flaw is identified by economists and trainers.

[39] National Council of Welfare, *Women and poverty revisited.*

[40] Linda Pipke, *Reforming social assistance reform: A rural perspective.* See also Canadian Advisory council on the Status of Women, *Growing strong: Women in agriculture.*

[41] Ontario SARC, *Transitions*, p.168.

More important, forcing women to always ask for assistance for every small item is described as stressful and degrading,[42] and is thought to reinforce dependence on the system.[43] The same description is applied to the budget deficit approach to determining the areas in which the applicant and her family regularly fall short of funds. It requires that the woman reveal and justify every single item in her budget, and prove that she has no other potential source of income to cover that item.[44]

Potential sources of income include alimony and child maintenance payments. Failure to reveal the existence and whereabouts of a spouse who should be paying maintenance generally results in denial of benefits. This can create dangerous situations for women who are escaping violent relationships.[45] Some provinces have taken measures to protect women in these circumstances by not revealing their whereabouts to former partners.

Most social policy analysts argue against attaching stringent conditions to social assistance. The issue of conditional entitlement is the most controversial subject in welfare reform. On the one hand, it is generally agreed that personal misfortune is the usually the result of some problem in society, rather than some fault on the part of the individual; on the other hand, there will always be some people who will take advantage of a system that provides necessities without restrictions. For this reason, it is widely believed that some conditions must be attached, but that some of the conditions commonly imposed are unfair and arbitrary.[46]

As well, decisions about the satisfaction of conditions necessary to receive welfare are often left to the discretion of individual welfare workers, sometimes leading to unfair practices. This is discussed in more detail in the section called **Evaluating** ***Supports For Independence.***

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[42] Calgary Poverty Focus Group.

[43] National Council of Welfare, *Women and poverty; and Welfare in Canada.*

[44] ibid.

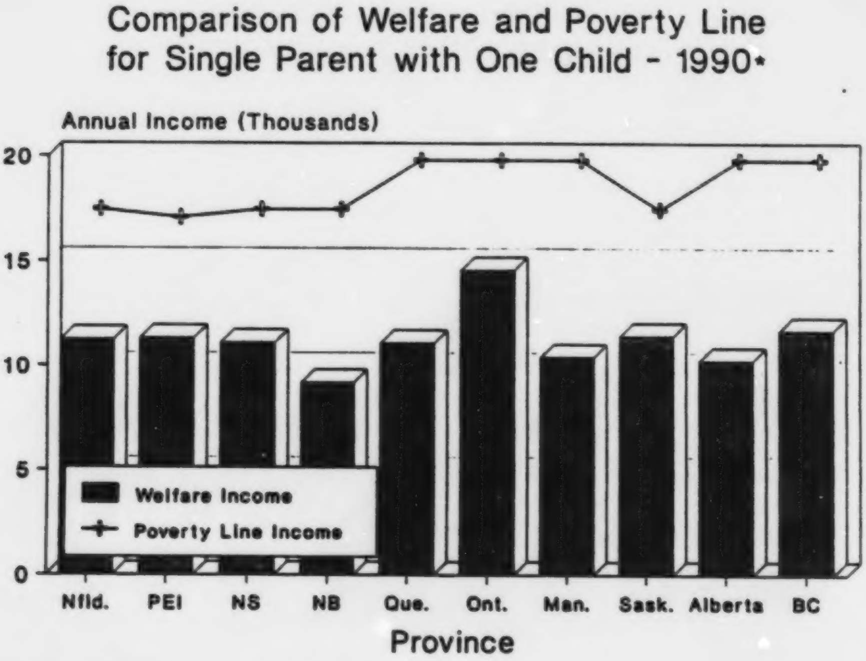
[45] Blouin, *Women and children last;* Canadian Council on Children and Youth, *New thinking.*

[46] Canadian Council on Social Development, National Council of Welfare, Canadian Council on Children and Youth, Alberta Status of Women Action Committee, and others.

B. Rates of Assistance

The most common criticism of all social allowance programs is that benefit levels are too low to meet the basic needs of recipients. Rates in all provinces for all categories fall far below the poverty line. Worse yet, benefits are being quickly eroded by inflation. In real dollars, benefit levels dropped by as much as one-third between 1986 and 1990, while the cost-of-living rose sharply. Only in Ontario did recipients make any significant gains.[47] As well, reductions in welfare spending are usually accompanied by cutbacks in related social programs, such as legal aid and child care.[48]

Table 3



• Source - National Council of Welfare,
1990 Welfare Incomes Report

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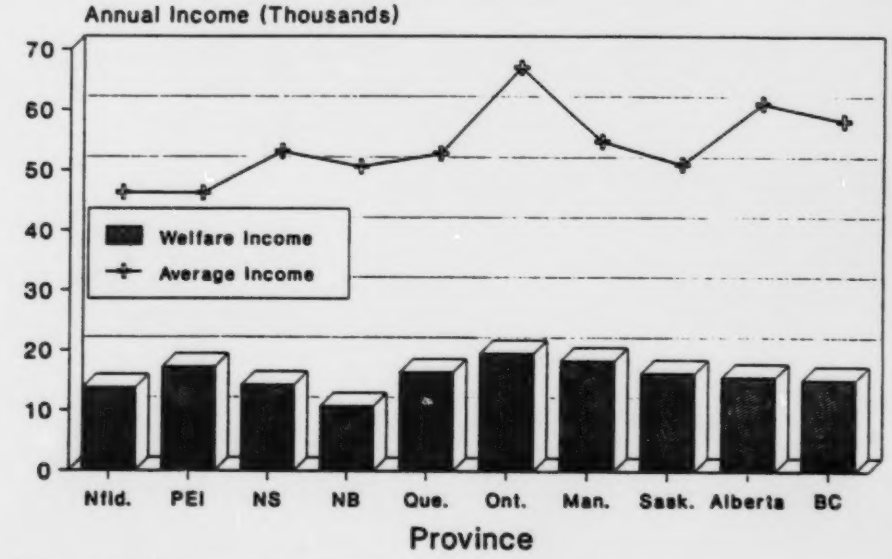
[47] National Council of Welfare, *Welfare incomes 1990.*

[48] National Council of Welfare, *Welfare in Canada.*

Table 4 Comparison of Welfare and Average Income for a Couple with Two Children - 1990 •



• Source - National Council on Welfare, 1990 Report on Welfare Income

Low rates are commonly justified in terms of the economy — that governments can't afford to pay higher benefits — and on the ground that higher benefits would discourage people from seeking employment. These arguments are refuted by many social policy analysts and welfare support groups. They argue that to maintain a large underclass on below-subsistence rates shows little economic foresight. The economic consequences of poverty in terms of health, crime, education, employment, family breakdown, and the social structure far outweigh the investment in adequate rates of assistance. Second, the argument that higher benefits discourage people from seeking employment is based on the unfounded assumptions that people choose to live on welfare rather than working, that receiving welfare is preferable to working, and that many recipients are undeserving of welfare benefits.

C. Complicated Rules and Systems

Complex rules make it difficult for recipients to understand and be knowledgeable about the welfare system. [49] The rules permit welfare workers to exercise a great deal of discretion over individual cases. This allows for flexibility to deal with individual needs, but also creates inequities in the treatment of recipients. As the National Council of

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[49] ibid.

Welfare states, "regulations governing the administration of social assistance include so many discretionary powers that what appears on the surface to be a well-regulated system operates largely on the basis of value judgements."[50]

Information about rules, about eligibility for particular benefits, and about appeals is difficult to access. Most provinces do not produce an information manual specifically for recipients. What printed material is available is often technical and jargon-ridden and therefore inaccessible to recipients, and information is not usually volunteered by overburdened welfare workers. It is reported that most women are so uninformed that they don't even know what questions to ask about their rights and responsibilities, and that many of those who would like to ask don't dare for fear of reprisals from the worker.[51] Lack of information often leads recipients to inadvertently break rules, and it makes monitoring of decisions practically impossible.[52]

High levels of discretion in decision-making are most worrisome in those provinces where welfare workers are essentially income assistance clerks, as opposed to trained social workers and vocational counsellors. The roles of welfare workers vary among the provinces, but high caseloads have forced most welfare departments to adopt to some degree a specialist system of service delivery. This means that, instead of having one social worker looking after the needs of a group of clients, responsibilities for those clients are divided among several workers.

Most specialist systems operate on an assembly line basis: one worker is responsible for determining eligibility and benefit levels; another worker manages the case, that is, administers benefits, monitors progress, enforces the rules, and terminates benefits; and another worker provides counselling. The idea is that workers can handle much larger volumes of recipients if they are only performing one task. These systems are criticized on many counts. They have been found to be confusing to recipients, especially when they need to report a change in circumstances or seek additional or emergency benefits. Also, in these systems, some workers are trained, others are not. Concern is expressed about the ability of untrained workers to interpret complex rules and make decisions critical to recipients' lives.[53]

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[50] ibid. p. 22.

[51] Blouin, *Women and children last;* P.E.I WARC, *Dignity, security and opportunity;* Ontario SARC, *Transitions.*

[52] National Council of Welfare, *Welfare in Canada.*

[53] Blouin, *Women and children last;* P.E.I. WARC, *Dignity, security and opportunity;* Ontario SARC, *Transitions.*

D. Enforcement

In all provincial systems, enforcement of welfare rules sometimes results in violation of recipients' civil liberties. Particularly problematic are overpayment recovery, methods of enforcement, and appeal procedures.

In all systems, overpayments to recipients are common, and are usually caused by inadvertent error on the part of the recipient or the welfare worker. Rules for repayment vary, but in most provinces the amount of the overpayment is gradually deducted back from the recipient's benefits. This is true whether or not the overpayment is the fault of the recipient.

Most measures to detect fraud are described as very intrusive and invasive.[54] Enforcement officers act on the request of welfare workers to investigate recipients suspected of wrongdoing. Many investigations are undertaken on the basis of an anonymous phone call to a welfare department. An investigation may include cross-checking with other government departments, checking bank statements, unscheduled home visits, and conducting personal investigations, such as putting the woman's home under surveillance. These investigations can be embarrassing and damaging to recipients, particularly when the accusation is unfounded.

What constitutes fraud is also subject to criticism. As advocates of welfare reform recognize, one of the problems in trying to discover what to do about fraud has been the lack of a consistent definition. Some definitions of fraud include inadvertent error, administrative error, and overpayments, regardless of the intent of the recipient. Some welfare reform advocates suggest that, in a system that pays inadequate rates, a certain amount of cheating is to be expected, and should be tolerated.[55]

The most controversial type of welfare fraud is the so-called "spouse in the house" rule, which still exists in all provinces except Ontario. The rule allows a woman's benefits to be terminated based on allegations that she is living with a man. It assumes that any man who lives with and has sexual relations with a woman is obliged to support her and her children. The rule is rarely applied to men's lovers. Because the "spouse in the house" rule clearly discriminates against women, and investigation of women's sexual relationships may legally constitute an invasion of privacy, it has been abandoned in Ontario, and modified in Manitoba.

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[54] Blouin, *Women and children last*.

[55] National Council of Welfare, P.E.I. Welfare Assistance Review Committee, New Brunswick Advisory Council on the Status of Women, National Anti-Poverty Organization, and others.

In most cases, benefits are suspended during fraud investigations. They are re-instated if and when the allegations are shown to be false. The assumption that a recipient is guilty until proven innocent is thought to run contrary to principles of justice.[56] Benefits are also suspended pending appeals of welfare workers' decisions.

The *Canada Assistance Plan* requires that a procedure be in place for recipients to appeal their welfare workers' decisions. Most provinces have a two-tiered system. A recipient first appeals to a local administrator, usually the welfare worker's supervisor. If she fails at this level, she can then appeal to a welfare review board. There are two common criticisms of this process. First, most boards do not include any current or former welfare recipients among their members. The National Council of Welfare maintains that the absence of recipients "diminishes the ability of boards to comprehend fully the realities of life on welfare."[57] Most boards members find their positions by way of political appointment, and they are not usually required to have any expertise in welfare.[58] Second, the recipient usually has no right to representation at her hearing. Welfare support groups explain that this is intimidating for anyone, and more so for women recipients. It could be said that women on welfare have had little practice at speaking for themselves, and are insecure about their abilities to make their case. This is discussed in more detail in the section called **Evaluating** *Supports For Independence.*

E. Barriers to Self-sufficiency

Disincentives to seek employment are described as the most significant barrier for women who wish to leave the welfare system. For most women recipients, job prospects are limited to low-wage occupations that don't usually offer many fringe benefits, like health and dental care, prosthetic equipment, and transportation for treatment of disabilities. As argued by the Canadian Council on Children and Youth, "parents must weigh the advantages of full health benefits for themselves and their children against the limited advantages of a low paying job."[59]

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[56] Blouin, *Women and children last;* P.E.I WARC, *Dignity, security and opportunity;* Ontario SARC, *Transitions.*

[57] National Council of Welfare, *Welfare in Canada,* p. 101.

[58] Blouin, *Woman and children last.*

[59] Canadian Council on Children and Youth, *The new thinking.*

For single mothers, the expense of child care is a powerful disincentive to work. Most single mothers find that they are unable to even support themselves and their children by working, and at the same time, they are unable to find and afford the kind of child care that would allow them to work. [60] Although many provinces provide child care subsidies to low-income families, some mothers find the cost of their portion of fees prohibitive. As well, most low-wage jobs are not flexible enough to allow women to miss days to care for sick children, or modify their hours to take children to and from child care centres. Transportation is also a problem for most low-income women, particularly in cold climates, and is often an insurmountable barrier for women with disabilities. It is not always possible for mothers to find quality child care near their homes or workplaces, especially in rural areas. Many women cannot overcome these difficulties.

As well, restrictions limiting the number of hours recipients can work without losing benefits dissuade women from seeking part-time work. Welfare cheques are reduced on an almost dollar for dollar ratio on income earned beyond a small amount.[61] Also, the expenses involved in taking a job are usually not covered or compensated by welfare programs. Some provinces offer a work expense exemption to defray the costs of items such as clothing, transportation, licenses or fees, but it is widely agreed that the amount of the exemption is not enough to cover actual costs.[62] In most instances women are better off not going to work.

F. Job Search, Training, and Education

One of the more controversial aspects of social assistance is the requirement that recipients classed as employable must seek work, either individually or through job search clubs, or participate in programs to improve their employability.

This arrangement is criticized on several grounds. First, social policy analysts point out that it is futile to force people to look for jobs that don't exist. The current recession means that jobs are hard to come by, particularly for unskilled workers and labourers. Forcing some recipients to attend job search programs is described as a waste of time. It is argued that most unemployed people look for work as a matter of

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[60] Blouin, *Women and children last*, p. 35.

[61] Canadian Council on Children and Youth, *The new thinking*.

[62] Ontario SARC, *Transitions*, pp. 276-279.

course, and that expectations placed on recipients should take high unemployment levels into account.[63]

Some provinces recognize that as the economy is restructured, many recipients, especially women, will have to learn new skills to find the kind of jobs that are and will be available. In these welfare systems, women meeting specified criteria are referred to employment specialists to help them assess their employment potential and work towards a specified goal. Most women on welfare face multiple barriers to employment. Some need to develop life skills, become literate, and upgrade academic qualifications. They may also need job skills and opportunities to gain work experience. The role of the employment specialists is to guide and support them through a series of training programs until they are employable, and then help them find work.

Critics argue, however, that most training programs currently available merely prepare women for low-skill jobs, rather than genuinely raise their skill levels.[64] As well, according to survey findings of the National Anti-Poverty Organization, the quality of many training programs was found to be low, and only a small percentage of women recipients were in fact attending them. Also, **most of the jobs for which women were being trained were in female-dominated, "pink collar" ghettos, not for jobs known to be in current or future demand.**[65]

Restrictions on the education programs available to recipients are thought to do little to help women truly upgrade their skills and become self-supporting. In most systems, recipients are not permitted to attend post-secondary institutions and collect benefits, even for short periods of time. The logic behind this is that student loans are available to recipients who wish to attend university or technical school. Welfare support groups argue, however, that women are often denied student loans and that loans granted are insufficient to cover their families' needs.[66]

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[63] Ontario Advisory Group on Social Assistance Legislation, *Back on track: Report on short-term reform.*

[64] Canadian Labour Market Productivity Centre Task Force, *Report*, p. 263.

[65] National Anti-Poverty Association, *You call it a molehill, I'll call it a mountain.*

[66] Calgary Poverty Focus Group.

VII. EVALUATING SUPPORTS FOR INDEPENDENCE

The new welfare system focuses on two major initiatives: the first is a shift from a generalist to a specialist model of service delivery, called a Differential Use of Staff (DUS) model; the second is the *Supports For Independence Program*. Specialist service delivery is intended to improve and simplify the benefit system by distributing workloads more equitably among income support staff and by increasing the use of technology. *Supports For Independence* is intended to increase recipients' responsibility and independence by eliminating some of the barriers to working.[67] These two elements, *Supports For Independence* and specialist service delivery, are designed to work in tandem to overcome the barriers to independence.

A. Eligibility and Needs Testing

Supports For Independence makes no changes to welfare eligibility requirements in Alberta. Under the *Social Development Act*, an applicant must satisfy three criteria to be assessed as being in need:

(1) she must belong to a group which is eligible for benefits;

(2) her fixed and liquid assets must fall below the maximum established for eligibility; and

(3) her income from all sources must be lower than welfare benefits.

1. Eligible Groups

Women who are not eligible for benefits include those who are temporarily absent from Alberta, in provincial institutions, on day parole, and students. Also, sponsored immigrants and refugees are automatically excluded from social assistance.[68] Some women are eligible only for short-term and restricted benefits , and then only under certain conditions. This applies to women who are self-employed (including farm women), on strike, in training, temporarily in mental institutions, or in battered women's shelters.[69] As well, if a woman is living and having a sexual relationship with a man, she is not eligible (see "spouse-in-the-house" rules).

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[67] *One step at a time*, p. 5.

[68] *Social Allowance Program*, Eligibility.

[69] ibid.

Community immigrant aid workers interviewed explained that problems commonly arise for immigrant and refugee women. According to the workers, sponsored immigrant women seeking welfare to escape abusive or battering relationships are turned down. Often, unless they can find a friend or relative who can support them, they stay in the abusive situation. The workers added that sponsors who request benefits claiming that they can no longer afford to support refugees are also refused. Policy guidelines suggest that when sponsorships break down, and the sponsor is not able to support the sponsored immigrant, benefits will be provided, but only if all other sources of income have been exhausted. According to an Alberta immigration lawyer, intervention by a lawyer is often required to convince welfare workers that the immigrant applicant is truly in need. Many women do not have access to this kind of advocacy service. [70]

Women with landed immigrant status are often unaware that they are eligible for benefits. Access to information is limited for women whose cultures prevent them from being in public without a male escort, as they are unable to obtain information from Social Services by telephone. For women who do not speak English well, it is virtually impossible to obtain information without assistance from immigrant aid services. Many recent immigrants are not aware of these services or the welfare system in general, and endure unnecessary hardships as a result.[71]

All of the seven women with disabilities who were personally interviewed explained that they have encountered eligibility problems because of the nature of their disabilities. While they are not generally refused basic assistance, they are often shuffled between the *Supports For Independence* and the Assured Income for the Severely Handicapped programs. They attested, and community mental health workers confirmed, that this has caused delays in receiving urgently-needed benefits, and in some instances, they have been placed in the inappropriate program.

Women of all cultures and abilities described difficulties obtaining assistance when leaving battering relationships. One woman stated that she was repeatedly questioned about why she would leave her physically abusive partner when she applied for benefits. In her words, she was told "don't come crying to us because you have three kids and

When my husband lost his job, we didn't know where to turn. We have no family in Canada, and our friends are barely getting by. We had two kids already and I was seven months pregnant. My husband looked for work day after day and he would come home so angry and fed up! I did babysitting for the neighbors and I was so tired. I would cry and the kids would cry. We all ate cereal with water and I worried that my baby would die. One day a woman I babysat for saw that I had been crying and I finally told her why. It just came pouring out. She told me about welfare, and took me to see a social worker. My husband is ashamed to take the money, but we have to have food. — Social Allowance Recipient want to be on welfare." As well, several native women interviewed said that, when applying for benefits, workers suggested that the violence was "only" alcohol-related, and they should wait a few days before officially applying.

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[70] *In support*, Issue 6, p. 10.

[71] Jean Munn, immigration lawyer.

2. Fixed and Liquid Asset Exemption Levels

To be eligible for benefits, applicants must have exhausted all other sources of income, such as employment severance pay and vacation pay, and they must not be eligible for other benefits, such as Workers' Compensation, Old Age Security, Canada Pension Plan, Veterans Allowance or Unemployment Insurance premiums.[72]

As well, applicants must have virtually depleted their resources. In Alberta, a single woman must be down to her last $50 in liquid assets (cash, bonds) and possess no more than $1,450 in fixed assets (land, equipment, possessions, and equity in assets). An able-bodied mother with children can have up to $250 in cash and $2,250 in fixed assets. The rates are slightly higher for women with disabilities. These maximums on fixed assets have not been revised in Alberta since 1986. They are less than half the maximums permitted under the *Canada Assistance Plan*.[73]

Welfare workers have a great deal of discretion in deciding which possessions are counted as assets, and in assessing the value of assets. According to the *Social Development Act*, recipients are allowed to keep homes "of reasonable value;" however, if a home is jointly owned and any portion of welfare benefits are being paid toward the mortgage, a caveat must be registered unless all owners live in the home and receive benefits.[74] This would apply, therefore, to women who are separated from their partners and continue to live in the home and pay the mortgage. Four of five women interviewed who had been in this situation were forced to sell their houses, even at a loss, in order to obtain benefits.

3. Income Sources and Ceilings

A woman's income must be less than what she would be provided by welfare. If she is working and earning less than the amount of the basic benefit package — possible only if she has dependants or is earning the minimum wage or less on a part-time basis — she may be eligible for an income supplement. Earning exemptions and benefit levels are discussed in more detail in the following section.

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[72] *Social Allowance Program*, Eligibility.

[73] Department of Family and Social Services, *Social Allowance Program, Client Resources, Assets Exemption (SS084X1 0068.0.0).*

[74] *Social Allowance Program.*

Income includes maintenance and support payments, but not family allowance payments, child tax credits, the net income of a dependent child, and a portion of any income gained by renting part of her home. Women who are owed but do not receive maintenance payments are required to reveal the names and whereabouts of their former partners so that the Department can pursue the men for payments. Several women interviewed refused to provide this information, because they had escaped battering relationships, and did not want their partners to be able to find them. They were denied benefits until the names of their partners were revealed. Two women appealed to a director and won, although each felt she was successful only because she was able to convince the director that the man would never be in a position to pay the maintenance. Two others capitulated to their income workers' demands, and then out of fear, moved from the province for a period of years until they felt it was safe to return. Many battered women who are savvy to this problem simply claim that they do not know the whereabouts of their former partner. Some of those who have not been married claim that they do not know the identity of their child's father.

B. Benefits

Some of the reforms most relevant to women under *Supports For Independence* are to the benefit package. The benefit structure, assessment of benefit needs, rates and types of assistance, and the ways in recipients are classified with respect to benefit levels have been changed.

1. Recipient Classifications

Under *Supports For Independence*, recipients are classified in a slightly different way than in the old system. Previously, recipients were categorized as "short-term" and "long-term," "employable" and "unemployable." Women in the last trimester of pregnancy were deemed to be unemployable, but they were required to return to work when the child reached four months of age. Single parents with two children, if one of them was a pre-schooler, or with three or more dependent children of any age were considered unemployable. Single parents enrolled in upgrading or training programs were also excused from working, as were women caring for a child or spouse with a mental or physical incapacity; people who were themselves disabled, ill, or over the age of sixty; and people who were assessed as "unsuitable" for employment for some other reason. Everyone who did not fall into one of these categories was considered employable.

Unemployed employable people were classified as "short-term" clients for the first three months they received welfare benefits. Short-term recipients received benefits only for room and board or food and temporary shelter, and some personal needs for three months.[75] After three months, both employable and unemployable recipients were re-categorized as "long-term," and their welfare allowance was increased to include clothing, household and personal needs, and the actual cost of rent, fuel, and utilities.

Under *Supports For Independence*, recipients are assigned to one of four categories, based on their circumstances and eligibility for employment. The categories are:

(1) "supplement to earnings," for underemployed people with insufficient earnings;

(2) "assured support," for those unable to work due to a severe handicap or multiple employment barriers;

(3) "transitional support," for those who are temporarily unable to work;

(4) "employment and training support," for those in or available for training or employment preparation programs.

In some ways, these programs are just new labels for old categories. Those long-term, unemployable recipients who are in or eligible for training are categorized as "employment and training support clients," and "supplement to earnings" is self-explanatory. However, it is now more difficult to obtain assured support; that is, fewer people are assessed as "unsuitable" for employment. As a result, most women are now categorized as employable, and placed in one of the other three categories. Official *Supports For Independence* policy is to encourage all parents to work, but single mothers (or fathers, for that matter) can now request a work exemption to stay home until their youngest child is two years old.

"Assured support" refers to unemployable recipients, and "transitional" refers to short-term, employable recipients, but short-term has become even shorter. Under *Supports For Independence*, employable people are eligible for only two months of benefits. In some Social Services offices, the recipients' files are reviewed and, in most instances, renewed after two months. In other offices, termination is simply built into the case plan when application for benefits is made. According to workers, if recipients are unable to find work within the two months, they are left without recourse. Community workers and

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[75] *In Support*, Issue 1, November 1990, p. 5.

I didn't think it could ever happen to someone like me, but I almost became a bag lady. It was like watching myself in a movie. I had nowhere to go, no money, no options. I found some work that time, but it was a close call. Next time I may not be so lucky.
— Social Allowance Recipient

welfare support groups argue that two months is an insignificant amount of time to find work in today's economic climate, and it is unfair and unreasonable to cut off recipients so quickly. It is argued that this practice is contributing to the number of homeless women in urban centres in Alberta.[76] Although none of the survey respondents were homeless, three of the women interviewed said that they had resorted to prostitution to buy food and a place to stay when their benefits were cut off. One described the terror of three nights spent in all-night laundromats in the winter. Several others spoke of their fear that their benefits would be cut off, and they would simply end up on the streets.

2. The Benefit Structure

Prior to the implementation of *Supports For Independence*, Alberta calculated the actual benefits to be paid out with a "budget deficit assessment." This meant that the amount of benefits paid equalled the difference between the amounts prescribed by Social Services for certain needs and the financial resources available from other sources. The amount paid out for every category of benefits had to be worked out. For instance, several women interviewed explained how they had to plead for increases in their laundry budget and provide a count of how many diapers they washed every month. One woman's worker suggested that she might be changing her baby's diapers too often. Having to justify the need and cost of petty items was described as degrading and embarrassing.

The budget deficit assessment for calculating benefits has been replaced with a standard benefits package received by all recipients. Recipients' reactions to this change were mixed. Women interviewed for this paper were pleased that they no longer need to justify their every laundry, clothing, transportation, and telephone expense. This was described as a major improvement over the former system. The contrary was found in an Edmonton survey of thirty-nine recipients, in which 52% of the respondents described the benefit package as "a bad or very bad" idea.[77] In either case, in both this and the Edmonton study, recipients reported that the amount of benefits has changed very little and in some cases, has decreased.

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[76] interview, Nancy Miller, Alberta Status of Women Action Committee

[77] Edmonton Family Support Association, *Telephone survey of FSA clients on Supports For Independence*.

3. Rates of Assistance

(i) Standard benefits

Tables 5 and 6 show the benefit levels for various sizes of family under the old Social Allowance system and the new *Supports For Independence Program*, based on data provided in the provincial government Income Support Manuals. As can be seen in the second last column in Table 6, basic welfare rates have been increased for most families, the exceptions being single persons without children and single parents with one teenage child. Most single parents are women. The assumption made in these benefit calculations is that each family takes full advantage of the discretionary items of laundry, telephone, and transportation benefits available under the old Social Allowance system.

Table 5

Family Type: Single parent	Child Ages:		Standard monthly benefits + rent	Discretionary benefits:			Total monthly benefit
	0-11 years	12-17 years		trans	phone	laundry	
0 child	0	0	205+215	40	12	11	483
1 child	1	0	339+430	40	12	17	838
1 child	0	1	381+430	40	12	17	880
2 child	2	0	445+490	40	12	17	1004
2 child	1	1	487+490	40	12	17	1046
2 child	0	2	529+490	40	12	17	1088
3 child	3	0	550+505	40	12	22	1129
3 child	2	1	592+505	40	12	22	1171
3 child	1	2	634+505	40	12	22	1212
3 child	0	3	676+505	40	12	22	1255
Two parent							
0 child	0	0	394+430	40	12	17	893
1 child	1	0	494+490	40	12	17	1053
1 child	0	1	536+490	40	12	17	1095
2 child	2	0	592+505	40	12	22	1171
2 child	1	1	634+505	40	12	22	1213
2 child	0	2	676+505	40	12	22	1255
3 child	3	0	704+525	40	12	22	1303
3 child	2	1	746+525	40	12	22	1345
3 child	1	2	788+525	40	12	22	1387
3 child	0	3	830+525	40	12	22	1429

Table : this table shows the expected benefit rate for a variety of families using the November 1989 Standard allowance tables. The total benefits figure assumes that the family takes full advantage of the discretionary telephone, laundry, and transportation benefits.

Table 6

Family Type: Single parent	Child Ages: 0-11 years	12-17 years	Standard monthly benefits + rent	Total benefit under SFI	Total benefits under old system	Net monthly benefit change from old system to SFI	Net monthly benefit change including loss of recreation allowance
0 child	0	0	255+215	470	483	-13	-13
1 child	1	0	412+430	842	838	4	-14
1 child	0	1	445+430	875	880	-5	-23
2 child	2	0	543+510	1053	1004	49	13
2 child	1	1	576+510	1086	1046	40	4
2 child	0	2	609+510	1119	1088	31	-5
3 child	3	0	686+530	1216	1129	87	32
3 child	2	1	719+530	1249	1171	78	23
3 child	1	2	752+530	1282	1212	69	14
3 child	0	3	785+530	1315	1255	60	5
Two parent							
0 child	0	0	394+430	908	893	15	15
1 child	1	0	494+490	1112	1053	59	41
1 child	0	1	536+490	1145	1095	50	32
2 child	2	0	592+505	1275	1171	104	68
2 child	1	1	634+505	1308	1213	95	59
2 child	0	2	676+505	1341	1255	86	50
3 child	3	0	704+525	1433	1303	130	75
3 child	2	1	746+525	1466	1345	121	66
3 child	1	2	788+525	1499	1387	112	57
3 child	0	3	830+525	1532	1429	103	48

Table : this table shows the expected benefit rate for a variety of families using the February, 1991 Supports for Independence tables. Also shown are the comparable benefits under the old system, and the net monthly change resulting from the introduction of Supports for Independence, both as a change in basic rates and also allowing for the elimination children's recreation allowance.

I just stay home day after day. I find myself getting mad at my daughter, and yelling at her for no reason. I watch television all the time to fight loneliness. There is nowhere for us to go — there are no parks or playgrounds around here, nothing but shopping malls full of stuff we can't have. We can't afford to go anywhere; the bus fare would have to come out of the grocery money. My life is a waste. — Social Allowance Recipient

The last column in Table 6 adjusts the benefit levels to take into account the fact that the discretionary recreation benefit ($220 per year per child), available prior to the introduction of *Supports For Independence*, was replaced with a personal needs allowance which is included in the Standard Benefits. When this adjustment is taken into account, it can be seen that there are four family types who are receiving less money under the new program

In 1990 constant dollars, benefits have decreased since 1986 by 32% for a single woman, and 5% for a single woman with a child.[78] The standard benefits for a single woman represent 40% of the 1990 poverty line in large cities and 59% in rural areas. For a single mother with two children, the equivalent figures are 52% of the poverty line in urban areas, and 76% in rural areas.[79]

Although *Supports For Independence* is supposed to provide an increase in shelter and food benefits,[80] only 14% (19) of the survey respondents reported an increase in benefits. 27% (37) reported receiving less money, 40% (52) said they received the same amount, and 22% (30) didn't know if the amount had changed.

83% (114) of the recipients stated that their benefits were inadequate to cover their basic needs. 56% (78) explained that they had insufficient money for food, rent, or in all areas. Utilities, clothing, children's needs, and transportation allowances were also found lacking. 17% (24) of respondents found their benefits adequate to cover basic needs. A similar study of thirty-nine recipients in Edmonton found that, of all respondents, 56% found shelter benefits and 62% found the food allowance to be inadequate.[81]

The portion of the standard benefit designated for telephone costs has been reduced under *Supports For Independence*. Previously, the actual cost of basic phone rental, about $14 per month, was covered; now, the telephone allowance is a standard $11 per month. Many women interviewed identified this discrepancy.

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[78] In 1986, the annual benefit for a single, employable person was $7,244; in 1992 it is $5,640 based on the above calculations. Likewise, the annual benefit for a single parent, one child was $10,607, it is now $10,104.

[79] The 1990 Statistics Canada low-income cut-off (commonly known as the "poverty line") for metropolitan areas (a city of 500,000 or more people) was $14,160 for a single person, and $24,396 for a family of three. In rural areas, the cut-off was $9,640 for a single person and $16,610 for a family of three.

[80] Government of Alberta news release, not dated, est. November 26, 1990.

[81] Edmonton Family Services Association, *Telephone survey*.

Transportation costs have also been reduced under *Supports For Independence*. Previously, recipients were issued sufficient money to purchase a bus pass, at about $40. Now, unless they are working or participating in training, the transportation allowance reduced to $25, on the reasoning that they only need to make three trips from home requiring public transit each week.[82] A sense of isolation due to spending too much time alone at home was described by many women, especially single mothers, women with disabilities, and immigrant women. One young mother described her situation:

Clothing allowances are no longer routinely issued, as clothing is felt to be covered under monthly benefits. In addition to the basic allowance, extra benefits may be provided to cover special needs, such as additional food during pregnancy, or medication not provided through Alberta Health Care, or damage deposits for rental housing, although the amount is generally deducted back from welfare cheques.[83]

Childcare benefits are more extensive under *Supports For Independence*. Previously, welfare mothers, like all poor parents, were eligible for day care subsidies. An additional $40 per month was provided by the Department, but any costs above this were borne by the recipient.[84] Now, with a view to assisting women to attend training and upgrading, Social Services has assumed payment of all daycare costs. To qualify for childcare, however, a mother must spend at least four hours each day in training. Some women interviewed found this overwhelming, particularly those with new babies or more than two young children. They regretted that they were not able to obtain childcare or a babysitting allowance to allow them to attend less time-consuming classes.

Under *Supports For Independence*, a recreation allowance for children was abolished and replaced with a "personal needs allowance." This amounts to a reduction $220 to $108 per year. Mothers reported that, since recreation allowances for children were discontinued with the introduction of *Supports For Independence*, their children have suffered undue hardships. They have been unable to participate in school field trips, special physical education programs, and after-school programs. 20 of the 32 mothers interviewed explained that they have been scrimping on food to allow their child to occasionally participate in extra-curricular activities. Others have simply been keeping their children home from school on days involving such activities, rather than having them suffer the stigma and humiliation of being left out. Native social workers reported that this is particularly common in native families. In the words of one worker, "for some kids, the recreation allowance was their only salvation. If they feel left out and have nothing to do, they get into trouble. That recreation allowance will be sorely missed."

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[82] *In support*, Issue 1, p. 5.

[83] Department of Family and Social Services, *Social Allowance Regulations, Social Allowance Schedule, Schedules A and B, 91/01* .

[84] *Social Allowance Program (89/11).*

(ii) Food and Shelter

Under *Supports For Independence,* for a single woman with no children the maximum shelter allowance is $215, and the standard benefit is $255, $143 of which is designated for food. The remaining $112 is intended to cover clothing, household supplies, personal needs, telephone, laundry, and transportation. For a single woman with a child under the age of eleven, the standard benefit increases to $412, with a maximum shelter allowance of $430.

Women surveyed related very real obstacles to finding acceptable accommodation at the current rate.[85] First, the urgent need for affordable housing cannot be overemphasized. Housing emerged as a major problem facing recipients. All of the women personally interviewed stated that rent allowances are inadequate and 12% of survey respondents identified this as their primary shortfall each month. As noted in a Calgary study assessing the needs of single parents, rental accommodation that is affordable is often of poor quality and located in areas lacking in recreational facilities, adequate child care services, and good schools. In major cities, new buildings in low-income areas are displacing poor people.[86] For women and children with emergency needs, many of whom are leaving violent relationships, there are few options. Many rural areas offer no low-income housing at all. The number of homeless women on urban streets is escalating, and the problem is not being addressed. [87]

Such housing as is available is often sub-standard. Apartments with structural problems, inadequate heating, faulty wiring, blocked pipes and drains, and lack of hot water were some of the problems described by recipients. In many instances, women expressed a reluctance to complain to landlords about such conditions for fear of being evicted or losing their damage deposits without warrant when they move out voluntarily. The power differential between landlords and women on assistance was repeatedly addressed by survey respondents. They explained that few landlords are even willing to rent to social assistance recipients, and discrimination against native women was widely reported. None of the native women interviewed had pursued claims of race discrimination with the Alberta Human Rights Commission, and discrimination against welfare recipients is not covered by the Alberta Individual Rights Protection Act. Stories of dishonest landlords were also common. It appears that when welfare families leave a rental unit, damage deposits are typically withheld, regardless of the condition of the unit. As the women point out, it is the landlord's word against theirs, and complaints generally fall upon deaf ears. The recipient is then held responsible for the amount of the damage deposit, and is required to pay it back at a rate of $21 per month, deducted from her assistance cheque.

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[85] See also, ASWAC, Women *against poverty*, pp. 28-29.

[86] Department of Social Services, City of Calgary, *A profile and needs assessment of Calgary's single parents*.

[87] Nancy Miller.

> *The arrogance! How dare they insinuate that poor women are less capable of managing money than other people! I'd like to see those workers try to prepare beans three nights a week with nothing but hard water and salt. Wait until they lose their jobs. I'll never tell them which of my garbage routes is my favorite. — Social Allowance Recipient*

All of the women personally interviewed and 45% of the survey respondents stated that their benefits were insufficient to cover the cost of food. All the mothers reported problems providing a balanced diet to their families on the allowance provided. To keep themselves and their children from going hungry, they regularly visited food banks and then subsisted on starch for the last week of each month. It was common among the women interviewed to eat only oatmeal and plain spaghetti for the last few days before their cheques arrive.

The rapid growth of food banks around the province and the increased demands placed on them is thought to show how inadequate social assistance rates are.[illegible] At least one-third of food bank users in Alberta's major cities are welfare recipients, and their peak demand period at the food banks falls in the last week of each month, just prior to the distribution of welfare cheques. [illegible] However, most food banks do not allow more than four visits per year per person, and women interviewed explained that they often exhaust their privileges and have nowhere to turn.

Food benefit allowances are based on Agriculture Canada's "food basket." The food basket is a list of foods drawn up by home economists and nutritionists which together provides a healthy diet for an individual or a family. There are problems with this method. It assumes a very comprehensive knowledge of nutrition and cooking, and an understanding of what kinds of food to buy and how to prepare them on a very stringent budget. In fact, very few people, recipients or not, have such detailed knowledge of food and nutrition. It also assumes the best prices on different foods, and certainly doesn't include

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[illegible] ibid.

[illegible] interview, Lynn Wilsack, Volunteer Coordinator and Administrative Assistant, Calgary Inter-Faith Food Bank.

convenience stores. In reality, most women can't go from store to store looking for the best bargains. As well, the list doesn't include foods that have no nutritional value, such as condiments, coffee and tea, or spices. And, the nutritionists who draw up the lists assume a North American diet, and do not account for differences among cultures.[90]

Assuming that a woman was able to find, purchase, and "correctly" prepare food in accordance with food basket guidelines, families could still fall short in their food budgets. This is partly because there are many requirements of daily living that are not covered by any welfare assistance benefit. The food allowance is the only discretionary money available to women on social assistance. Unexpected costs can only be paid at the expense of food and personal items, like tampons and soap.[91]

Women interviewed stated that when they run short of food and approach welfare workers for emergency food vouchers, they are often accused of mismanaging their food budget. In the words of one woman: "The arrogance! How dare they insinuate that poor women are less capable of managing money than other people! I'd like to see those workers try to prepare beans three nights a week with nothing but hard water and salt. Wait until they lose their jobs. I'll never tell them which of my garbage routes is my favorite." — Social Allowance Recipient

C. Problems in Service Delivery

1. Specialist Service Delivery

Along with *Supports For Independence*, a specialist service delivery model has been introduced. The Differential Use of Staff model represents a significant shift in the way social assistance is delivered. Under the old system, income security workers were responsible for all aspects of service delivery. The same worker would meet new clients, assess their needs, design their budgets and case plans, provide counselling, and issue benefits in the forms of cheques and vouchers. Services are now provided by a social allowance team consisting of Intake Workers, Financial Benefit Workers, and Employment and Client Support Services Workers.

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[90] see also P.E.I. WARC, *Dignity, opportunity, and security;* Nova Scotia Nutrition Council, *How do the poor afford to eat? An examination of social assistance food rates in Nova Scotia.*.

[91] ibid.

Qualifications of workers vary from university-degreed social workers to workers with high school diplomas, and those with degrees and diplomas have generally been working in income security for several years. Financial Benefits Workers are required only to possess a high school diploma. About half of the Financial Benefits Workers in Alberta are trained social workers, the other half are former clerical workers rehired as Financial Benefits Workers under *Supports For Independence*. Written policy on hiring procedures has not changed. The requirement of degrees or diplomas *or their equivalents* has always been the case. What differs is that fewer formal qualifications are now being required for equivalencies.[92] **Social workers interviewed interpreted the increased hiring of staff without degrees as an attempt on the part of government to save salary dollars, whatever the human costs.**

According to two Employment and Client Support Services Workers, the specialized system is designed to sift through clients, select those who are employable or potentially employable, and guide them through the steps to becoming a self-supporting member of society. These employable or potentially employable people are thought to be primarily women, and to comprise about 20% of the welfare population.

Briefly, the system is intended to works as follows: Intake Workers complete all welfare applications, determine eligibility, establish and issue initial benefits, and advise recipients of their rights and responsibilities. At this stage, recipients are placed in one of the four benefit categories. The files of those who fall into the categories of transitional support, assured support, or supplement to earnings are turned over to a Financial Benefits Worker. It is the responsibility of the Financial Benefits Worker to monitor the file and issue benefits. Unless they leave and return to welfare, the recipients will never have contact with the Intake Worker again. The system is also set up to minimize contact between recipients and Financial Benefits Workers. If their circumstances change and their benefits are suspended, or they are reclassified as eligible for Employment and Training Supports, they will receive written notification of the change. Although they are the focal point of the system for recipients, Financial Benefit Workers are only intended to be clerks. They are neither qualified nor mandated to provide counselling or guidance to recipients.

If a recipient is classified as able to work or pursue training, she will be placed in the Employment and Training Support category. Like everyone else, her benefits will be handled by a Financial Benefits Worker, and she may be referred to an Employment and Client Support Services Worker.[93] Two Employment and Client Support Services Workers explained that, at present, only women are eligible for this service, and because of high caseloads and backlogs in the system, very few of them actually receive this service. This preferential treatment of women is not documented in policy manuals.

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[92] interview with Linda Karpowich, spokesperson, Local 6, A.U.P.E.

Employment and Client Support Services Workers assess the women's needs and refer them to appropriate services in the community for career counselling, upgrading, and job search. They are also mandated to provide crisis counselling. A woman may receive up to two years of training and job search services. Sometime during or after this period she is expected to find work. In theory, she will be cut off benefits at the end of this period, whether or not she is working.

While this specialist system is projected to speed up and simplify service delivery, ease demands on workers, and help women become independent, it has been fraught with problems, from the perspectives of both workers and recipients.

a. What the Workers Say

23 Alberta Family and Social Services welfare workers were interviewed, 14 from metropolitan areas, 3 from urban centres, and 6 from rural areas.

All but one welfare worker interviewed stated that, due to the unexpected increase in recipients over the past year, their caseloads were unmanageably high. As noted earlier, the unanticipated increase of 12,000 cases in Alberta between 1991 and 1992 has strained the social allowance program, and especially the workers. Under the new system, caseload volumes were shuffled and in some instances increased. To determine how many clients each worker should have, the number of cases in Alberta was simply divided by the number of income security workers.[94] Since then, the number of social assistance recipients has increased substantially. Although the need for new workers is assessed every four months, it takes time for them to be hired and trained, and by that point, the number of recipients may again increase to unmanageable levels.[95]

Intake Workers are expected to keep 7 appointments each day. Of these, it is expected that 4 will be accepted to the income security program, and 3 will be turned away. According to workers, refusals are scheduled to take only ten minutes. Intake Workers described these guidelines as "ridiculous." They said that, unlike the applicants of the 1980s, most welfare applicants in 1991 and 1992 met the acceptance criteria. According to the Intake Workers, in many instances 6 and often all 7 applicants will be accepted. Also, those who are not accepted cannot be turned away in ten minutes. Workers explained that virtually all of the applicants, whether eligible or not, are destitute and desperate, and to simply refuse them and shunt them out the door would be inhumane and potentially dangerous. Some explanation of the system, reasons for refusal, and guidance toward other sources of assistance must be provided, and this cannot be accomplished in ten minutes.

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[93] Department of Family and Social Services, *One step at a time*.

[94] Linda Karpowich.

[95] ibid.

Clearly, Intake Workers are unable to handle the current volume of applicants in the urban centres. In November and December, 1991, line-ups outside inner-city social services offices began to form at 5:30 a.m., and by 8:30 a.m., usually extended beyond a block. Some applicants reported that they had been waiting for weeks without seeing an intake worker.[96]

Department sources say the prescribed caseload for Financial Benefits Workers is between 350 and 400 at a given time. As the Financial Benefits Workers' function is meant to be clerical, this is thought to be manageable. All Financial Benefits Workers interviewed, however, reported that they were unable to handle caseloads of this volume. Most clients view Financial Benefits Workers as their social workers and will attempt to contact them with both financial and personal concerns. To help workers manage the overwhelming number of calls from clients, some offices have implemented "voice mail" systems, whereby callers simply leave a message on an answering machine rather than speaking to a worker, and the call is either returned or the request dealt with. Workers explain that, while voice mail can be a useful management tool, they are often overwhelmed with work, and simply cannot respond to each request.

Sources say Employment and Client Support Services Workers are intended to carry caseloads of 60 recipients, but they are handling about 75 cases at a time. At present, it appears that very few welfare workers are actually working in Employment and Client Support Services, despite one manager stating that about 86% designated Employment and Client Support Workers are performing this role. Another manager explained that, because of the unexpected caseload increases, most of the Workers in the region have been seconded to Intake and Financial Benefit positions. Due to the difficulty in identifying any of these Workers, it remains unclear how many are fulfilling the role of Employment and Client Support Services Workers, and how many have been seconded to Intake and Financial Benefit positions. The manager went on to identify the temporary unavailability of Employment and Client Support Service Workers as the bottleneck in the system. The interviews with the Workers that were able to be located, appeared to indicate that the system is working better in Edmonton than in Southern and rural Alberta.

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[96] *Calgary Herald*, December 5, 1991.

Four administrators suggested that the ideal ratio of Financial Benefits Workers to Employment and Client Support Workers would be 1:1. However, they also thought that this ratio would probably not be attainable in practice, due to resource constraints. One Employment and Client Support Worker stated that a 2:1 ratio was workable, but that if this were increased to 3:1, then the system would not provide adequate service to clients.

In addition to the problems caused by high caseloads, interviews revealed much ambivalence and confusion among income security workers about their roles. Some workers seem to view themselves as advocates for recipients; others as protectors of the public purse. Few workers demonstrated correct knowledge about the guiding principles of social allowance under the *Canada Assistance Plan*. Most of the workers interviewed felt that clearer policy guidelines and job descriptions would be helpful to them.

Interviews with workers also showed that approaches to the job vary with previous training and experience. Social workers working as Financial Benefits Workers have found that the substance of their work has changed very little under the specialized system. Although they no longer do intake work, they continue to do casework and counselling, as well as performing administrative and clerical tasks. They claim that the only significant difference is that their stress levels have increased in proportion to their caseloads. Financial Benefit Workers without training appear to be more overwhelmed by huge caseloads than the social workers, although they do not attempt counselling. This is partly because of the expectations placed upon them by clients. It is they who bear the brunt of an angry client's wrath, who receive the phone calls from suicidal clients.

Welfare workers with degrees or diplomas currently working in all three categories felt that clerical workers were incapable of acting as Financial Benefits Workers because the job entails more than clerical functions. Many claimed that clerical Financial Benefits Workers lack judgement and experience in policy interpretation, and policy is often misconstrued to the detriment of recipients. Great concern was expressed about Financial Benefits Workers' authority to close files. One supervisor interviewed stated that she reviewed all files prior to closure to ensure that recipients were treated fairly. Social workers generally agreed that clerical workers should not be deciding when clients' benefits should be varied or discontinued. Indeed, many described the clerical Financial Benefits Workers' attitudes toward the recipients, particularly women, as punitive.

b. What the Women Say

(i) Lack of information

Only 46% (64) of the survey respondents were aware that the old social allowance program had been replaced by *Supports For Independence*. 57% (78) did not know in which of the four categories they had been placed. Of those who were aware of their program, 27% (16) felt they had been placed in the wrong category. Of the 138 respondents, 80% (100) thought that *Supports For Independence* had been explained poorly or very poorly. 9% (13) felt that explanations had been adequate, 7% (9) felt it had been explained well, and 2% (3) felt it had been explained very well. Similarly, the Family Service Association survey of Edmonton recipients found that 52% of respondents were either not aware or only minimally aware of the reforms.

Confusion about the different roles of the welfare workers abounds. The great majority of the women surveyed were unaware that the system of service delivery had changed from general to specialist delivery. Most did not understand the different roles of Intake, Financial Benefit, and Employment and Client Services Support Workers, and did not understand why their workers kept changing. Most of the women personally interviewed had not had never had a face-to-face meeting with any welfare worker since entering the system, and many did not know who their worker was.

Most of the women interviewed were not aware of their rights and responsibilities as social assistance recipients. There appears to be a paucity of suitable information available to these women. Given the scarcity of Employment and Client Support Workers and the demands on the time of those who are performing this job, the onus often falls on the women to identify for themselves the programs that may benefit them.

All of the native women interviewed were in different stages of life skills training, education upgrading, and training. All reported that they had found their programs through word of mouth, and then requested permission from their workers to pursue them. These women were all extremely pleased with their programs, and were dismayed that their workers were not aware of the options available to native women in particular. Most wished that they had been able to begin their programs earlier than they had.

Recipients stated that information about programs, upgrading, education, and job search options is not readily available to them, and what can be found is not very accessible. The difficulty of obtaining information is compounded for recipients, many of whom lack English or basic literacy skills. In the absence of Employment and Client Support Workers, there appears to be no one with a comprehensive understanding of the system and the recipients to provide guidance about the particular merits and suitability of individual programs for that woman. Also, the number of options available in rural areas is limited, and because of distance, lack of transportation, and lack of support services, they are often inaccessible to immigrant and women with disabilities. Distances and transportation costs can be prohibitive for able-bodied women as well.

(ii) Lack of coordination

Further complicating confusion about the specialist service model is the discrepancy between the requirements and expectations placed on women by the three types of income security workers. Women reported that expectations placed on them during the application process often seem to change somewhere along the line when they are receiving benefits. Many women told of finding their benefits suspended and having no idea what they had done wrong. Most of the women interviewed did not understand this as a lack of communication among workers; they simply saw a new worker arbitrarily and secretly changing the rules, and themselves being punished for not following them.

The severe shortage of Employment and Client Support Workers due to the dramatic increase in caseloads means that the system cannot function as intended. On the one hand, according to policy, women who are classified as employable or potentially employable must actively work toward finding a job or have their benefits cut off. On the other, there is often no one to refer them to the appropriate programs. According to the women interviewed, some clients are caught in the schism between programs. Several reported having their benefits suspended for failing to pursue training, although they had made concerted attempts to see an Employment and Client Support Worker. Most of the workers interviewed recognized this dilemma and have tried to find alternative ways of dealing with this problem. Some have simply continued benefits in hope that the women can one day be referred to the Employment and Client Support program. Many of the Financial Benefits Workers who have social work training explained their attempts to assist clients themselves by providing referrals and designing case plans. An Employment and Client Support Worker from Edmonton suggested that some Financial Benefit Workers do not fully understand or appreciate the importance of Employment and Client Support Services.

Two women described in detail their efforts and failure to enter high school upgrading programs because they were unable to see an Employment and Support Services Worker within three weeks time in order to meet the registration deadline. In each instance, this had occurred twice, so that the women felt they had wasted over six months. During this period, each woman was threatened with having her benefits revoked if she did not find work. Another single mother with children at home reported that when she asked her Financial Benefits Worker about upgrading programs, she was mocked and told to come back when she knew what program she wanted to take. In her words, "they were incredulous that I would ask for re-training, like it was a big waste of their time to talk to me about it."

(iii) Lack of access to workers

Women surveyed described spending several days and even weeks attempting to talk to their Financial Benefits Workers without success. There is a great deal of resentment about the voice mail system and its efficacy, particularly since some women do not have telephones. It is hardly possible for these women to wait for several days at a phone booth to have their calls returned.

Immigrant women with limited English skills described real difficulties in using this system. Most of the immigrant women interviewed have been relying on a lengthy and unwieldy process of having relatives or support services relay messages to and from workers. It appears that much information can be lost in the transmission, resulting in unnecessary confusion. Disabled women's support groups expressed concern about the ability of women who are deaf and hard-of-hearing to communicate with workers. Again, the process of finding and using interpreters can be difficult. And, for women who are mentally ill or mentally disabled, the voice mail system is simply too complicated, and many suffer great hardships as a result. According to mental health workers, some recipients need more attention than an answering machine, others can't always remember who their workers are, some are intimidated by the idea of leaving a message or are simply unable to use the telephone. As a result, they are unable to communicate urgent needs to workers, and often do without necessities. Mental health workers interviewed were familiar with several women who found it simpler to live on the streets than to deal with Social Services.

As well, a new recipient reporting system under *Supports For Independence* further reduces recipient-welfare worker contact. Rather than completing and filing a monthly report to the social worker, as in the old system, recipients now complete a card that is designed to be fed directly into the new computerized data management system. This allows Financial Benefits Workers to quickly revise recipients' benefits in accordance with changes in circumstances. If a card is completed incorrectly, Financial Benefits Workers must return them to the woman to make the appropriate changes. Until the card is corrected and returned, benefits are not issued. As with the voice mail system, the reporting cards are said by both welfare workers and welfare support groups to pose barriers to many women with physical or mental disabilities, or mental illness. They said that, as a result of confusion, many recipients have experienced delays in receiving their benefits, sometimes at great emotional and physical cost to recipients.

(iv) Worker discretion

The majority of survey respondents pointed to inconsistencies in policy among cities, offices, and especially workers. Many told tales of being denied a particular benefit by one worker, only to receive it from the next, and vice versa. Items such as furniture, appliances, clothing, and surprisingly, emergency food vouchers, were singled out as being particularly problematic. Survey respondents spoke of being denied dental benefits because of the discretionary nature of this benefit, or simply doing without because they were unaware of the benefits to which they are entitled. Several women reported that they discussed needing dental care, and even emergency care, with their Financial Benefits Worker, and help was not offered. For example, one survey respondent explained that, as a teenager on social assistance twelve years earlier, her upper teeth had been pulled and replaced with dentures. As she grew, these dentures ceased to fit, causing her jaw to grow improperly. Despite the pain she now suffers, she still wears the same dentures. All requests for assistance have been denied.

Worker discretion over decisions to continue or suspend benefits altogether was pointed out by many of the women recipients interviewed. Respondents expressed alarm and anger about the extent to which workers' moral judgements and social standing appear to influence their judgement. Many single mothers who had never married felt that they were subject to discrimination as a result. Two women reported being directly asked by their workers why they didn't just have abortions when they became pregnant. Several women cited incidents in which they were criticized by their social workers either for staying home with their children rather than working, or for wanting to place their children in childcare and go to work.

All the women interviewed spoke of a "bad attitude" on the part of welfare workers. It was generally perceived that **"a prevalent attitude among workers is that women want to be on assistance."** Women interviewed described conversations with their workers in which they were forced to justify their poverty and explain precisely how they "let themselves get into such a bad situation." Recipients typically remarked that their workers have no understanding of the lives and circumstances of poor women. Almost every woman interviewed had endured negative experiences with a welfare worker, although many were quick to remember one or two particular workers who had been helpful to them.

They keep trying to portray me as some kind of scam artist when I ask for the things I know I'm entitled to. Every time my kids or I need something, I have to psych myself up, give myself a pep talk about how I'm not a bad person, that this is just temporary. It wears you down after a while. You have to weigh the agony of asking against the value of the thing you're asking for. It shouldn't be so painful to get enough for your kids to eat or to get them winter boots that fit.
— Social Allowance Recipient

The wisdom of delegating the power to interpret vague policies to income clerks with no social work training was questioned by social policy analysts and recipients alike.[97] Financial benefit workers exercise enormous power over recipients, and it was generally agreed by that less qualified workers are delivering a lower quality of service.[98]

Welfare support and women's groups point out that, by the time a woman reaches the welfare system, she has usually suffered great blows to her self-esteem. At this stage, it isn't difficult for a welfare worker to exercise, even inadvertently, enormous power over a recipient's life. Survey respondents repeatedly commented on what they perceived as "negative and abusive" social worker attitudes. As one woman said, "they treat the people assigned to them as low-lifes. I may need assistance but that doesn't give them the right to treat me like I'm dirt."

Women explained that, even when they were aware that they were being denied something to which they were entitled, they rarely dared bring it to the worker's attention. Most worried about the repercussions of irritating or angering their worker, fearing that their benefits would be reduced, suspended, or denied. A reluctance to appeal their workers decisions stemmed first, from fear of repercussions, and second, from a belief in the futility of appealing.

The quality of service delivered to native women and to some immigrant women is described by the women interviewed and native social workers as "particularly poor." Many stories of discrimination were related by native women. Native counsellors explained that most welfare workers know nothing of native history and culture, and they behave inappropriately with native women clients. And sometimes, they added, "native awareness" training does more harm than good by replacing old, misguided stereotypes with new ones.

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[97] Welfare workers with degrees; P.E.I. WARC; Ontario SARC; ASWAC.

[98] ibid.

In their 1989 paper, "Breaking Free," A Proposal for Change to Aboriginal Family Violence, the Ontario Native Women's Association reported that while, "one in ten Canadian women have experienced a form of abuse, **eight out of ten aboriginal women have been abused of assaulted or can expect to be abused or assaulted.**" Nationally, rates of death by suicide, violence, and accidents, are much higher for aboriginal people than for the population as a while.[99] Aboriginal people, and especially aboriginal women, have less formal educations than other Albertans, both now and in the past.[100] These factors contribute to, among other things, extremely low levels of self-esteem. The Report of the Task Force on the Criminal Justice System and its impact on the Indian and Metis people of Alberta stated, "It is the opinion of the Task Force that the cultural differences between Aboriginals and the dominant society, together with out factors . . . contribute to low self-esteem among Aboriginals. Clearly, [they] are victims of racism and discrimination . . . "[101]

Likewise, the experiences of some immigrant women demonstrate limited understanding of and acceptance by some income security workers of the roles of women in different cultures. Women interviewed stated that many workers were unwilling to accept that women from some cultures cannot attend training or work with men. As well, the clothing requirements of some cultures restrict the sorts of work that the women can do. In some instances, these women were told they would simply have to change their ways to survive in North American culture.

(v) Lack of attention to teenage girls

Community workers and youth social workers were distressed by the lack of attention paid under *Supports For Independence* to recipients between the ages of 16 and 18. Intake for 16 and 17 year olds is handled by specialized child welfare branches, Joint Integrated Measures for Youth (JIMY units). Their files are then sent to the regular offices for administration. If their benefits are suspended, they must re-enter the system through a JIMY unit.

According to the workers, these teenagers tend to live unstable lives. Many of them have left troubled homes, have histories of abuse, and have lived and worked on the streets. In order to obtain welfare benefits, 16 and 17 year olds must live in room-and-board situations. Prior to *Supports For Independence,* some investigation of the proposed living arrangements was conducted. Now, the teenagers simply sign a form stating that they are living in acceptable situations. The facts are rarely verified. Community youth workers explained that teenage girls require more support and supervision than is being provided to them under *Supports For Independence.* According to youth counsellors working with teen prostitutes, some girls collect welfare and work as hookers as well. These girls may not have control over their own lives and bodies. Sometimes their cheques end up in the hands of their pimps, along with their sex trade earnings.

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[99] Women of the Metis Nation, *The Dawn Project*

[100] ibid.

[101] ibid.

VIII. ENFORCEMENT

Supports For Independence includes tough new policies to rid the welfare system of abusers and cheats. Under the new program, 32 new investigation officers were hired to track welfare frauds,[102] and recipients who are "not cooperating" with requirements to find work are having their benefits terminated.[103] Welfare support groups and social policy analysts described the policies as "draconian,"[104] saying that "they reflect and reinforce attitudes about the deserving and undeserving,"[105] and "encourage the belief that women go on welfare because they want a free ride."[106]

Enforcement of these measures has been subject to a great deal of criticism. Fraud investigations and appeal procedures are described as unfair, and as infringing on civil liberties.[107] Also, despite lack of intent, recipients can be punished for inadvertent abrogation of rules and overpayments due to administrative error. Although these acts cannot be criminally prosecuted, overpayments are deducted from welfare cheques, regardless of who was at fault.[108] It appears that *Supports For Independence* does not address these matters.

A. Fraud

1. The System

Over the past year, the number of public complaints alleging abuse has skyrocketed,[109] although the rate of fraud prosecutions has not changed. Little objective research has been conducted on the extent of cheating in Canada and Alberta. A cross-Canada study conducted in the 1980s revealed that about 400 welfare recipients were convicted of fraud each year in Canada.[110] The only Alberta study on fraud was conducted by the Department of Social Services in 1979. It found that 4% of its budget was lost due to fraud.[111]

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[102] Government of Alberta news release, not dated, estimated November 26, 1990.

[103] John Oldring, Minister of Family and Social Services, cited in the *Grand Prairie Herald Tribune*, December 20, 1991.

[104] Calgary Poverty Focus Group

[105] Gayle Gilchrist-James, past Chairperson, National Council of Welfare; Shawna Pacholuk, Humans On Welfare.

[106] Calgary Poverty Focus Group.

[107] Poverty Focus Group; Barb Janzen, Calgary Association of Women and the Law; Brian Edy, Alberta Civil Liberties Association.

[108] *Social Allowance Program.*

[109] Sheila Blair, Manager, Fraud and Error Control Initiatives, Income Support.

Until *Supports For Independence* was initiated, little attention appears to have been paid to maintaining statistics about the nature and types of fraud, or tracking trends. According to Social Services staff, considerable discretion about decisions to investigate and prosecute fraud has led to inconsistencies around the province. In an attempt to develop a more equitable system, the Department is now working with the Auditor-General to develop a priority system for tracking and prosecuting fraud, in which the elements of intent and overpayment recovery will be paramount considerations. Under the new guidelines, sources say, the two main factors influencing decisions to prosecute will be the length of time the abuse has been going on, and the amount of money involved.

Comparisons of investigations, types of fraud, and convictions are difficult because of the incomplete nature of statistics kept. Certainly, increases in the absolute numbers of fraud charges and investigations have paralleled increases in the welfare rolls. In 1978-79, 498 investigations were conducted and thirteen charges laid; in 1989-90 there were 2,542 investigations and 183 charges. This represents an increase in charges over investigations from 2.6% to 7.2%.[112]

In 1990-91, 165 prosecutions were initiated. Charges were dropped in 58 instances, and of the remaining 107, 98 resulted in convictions. 35% of all investigations and 41% of prosecutions were for undeclared income, generally in excess of $8,000. 25% of all investigations and 1% of prosecutions were for women suspected of living with a spouse or in a common-law relationship. Sources in the department say the balance of investigations and prosecutions was distributed among the following offences: receiving assistance from two provinces at once, receiving duplicate assistance in Alberta; that is, receiving two sets of benefits, providing false information when applying for benefits, and falsely reporting lost cheques or otherwise falsely collecting two cheques at once.

As of February 1991, with the fiscal year almost concluded, 178 fraud charges had been laid. Given the increase in numbers of recipients, the number of charges laid in proportion to the number of recipients may be found to have dropped at the end of the year. Conviction rates can't be estimated, however, as most of these cases have not yet gone to trial.

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[110] Reuben Hasson, "The cruel war: Social security abuse in Canada," in Ontario SARC, *Transitions*..

[111] Alberta Social Services and Community Health, *Final report of the welfare ineligibility study: Fraud and error in the public assistance program.*

[112] Alberta Family and Social Services, *Annual Reports.*

Statistics for the first half of the 1991-92 fiscal year show that of the people prosecuted for fraud, 27% were single men, 23% were single women without children, 30% were single mothers, and 20% were couples with children. This means that single women with no dependents, who represent 17% of the total caseload, were overrepresented, and single mothers, who represent 36% of the total caseload, were underrepresented in prosecutions.

2. Investigations

Most fraud investigations are initiated at the request of Financial Benefits Workers. Acting on their own suspicions or on the basis of a tip from the public, the workers contact the "fraud squad" and report their concerns.

Methods used by investigators to detect fraud include examining bank statements, cross-checking with other government departments, and conducting personal investigations. These methods have not changed under *Supports For Independence* but, according to recipients interviewed, investigators have become "ruthless and relentless" in their efforts to catch cheaters.

As noted above, 25% of all fraud investigations are for alleged breach of the "spouse in the house" or "man in the house" rule. This rule, which does not explicitly appear in any legislation or policy document, allows a woman's benefits to be terminated based on allegations that she is living with a man. It assumes that if a man lives and has a sexual relationship with a woman, he is obliged to support her and her children. This rule is not applied to men. Workers said that rules are "non-precise," and no interpretation or enforcement guidelines are provided to welfare workers. From the recipients' perspective, the implication that "you exchange sex with a man for support is simply prostitution, and it shouldn't be condoned by Social Services, let alone encouraged by them."

Because it so clearly breaches the equality provisions of the *Canadian Charter of Rights and Freedoms*, the "spouse in the house" rule has been dropped in Ontario and modified in Manitoba. Social Services Department officials admit that the rule is problematic, but there are no plans to drop it. It is defended on the ground that if a man and woman are simply sharing accommodation and not having sex, they will not be denied benefits.[113] The Alberta Law Reform Commission, however,

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[113] ibid.

Going to that appeal was like being a black maid at a tea party in the deep South. They wanted me to scrape and grovel. They sat there so high and mighty, dispensing charity. Those women had no clue where I was coming from. — Social Allowance Recipient

agrees that the rule violates women's equality rights, and recommends that it be repealed.[114]

In the meantime, however, poverty and income support groups reported that they encourage women recipients to exercise extreme caution in their relationships to avoid losing their benefits. Women are cautioned against having any male visitors, be they friends, lovers, brothers, or plumbers, in their homes between 5:00 and 6:00 p.m. These are allegedly the peak hours during which welfare fraud investigators watch women's homes for wrongdoings, on the theory that if a man is having dinner there, he is probably living with and having a sexual relationship with the woman.[115] Four Financial Benefits Workers who spoke to us on the condition of anonymity, confirmed that it is unwritten policy to automatically suspend benefits upon suspicion of this offence, pending her ability to prove that she has not broken the rules.

Twenty-three women interviewed had been subject to "spouse in the house" investigations. Some were not aware that they were under surveillance until they failed to receive their welfare cheques and discovered their benefits had been suspended. None of these women had been living with a man; in fact, only six of the 23 had a relationship with a man at all at the time.

It is noted that investigations of "spouse in the house" allegations constitute 25% of investigations, only 1% of which result in prosecutions, never mind convictions.

B. Appeals

The appeal process has not changed under *Supports For Independence*. Like most provinces, Alberta operates a two-tier system of appeal. All social worker decisions may be appealed to district managers, and then more formally, to boards of appeal. Members of appeal boards are appointed under the *Social Development Act* by the Minister of Family and Social Services. Whether any specific qualifications are required of these members is not clear, but being or having been a welfare recipient is not among them. Alberta has thirty-four appeal boards with about 150 members in total. Of these, it is estimated that two or three are or have been recipients. About sixty percent of board members are women.

Welfare and income support groups complained about the under-representation of current or former recipients on these panels. One woman described her appearance before a board: *"Going to that appeal was like being a black maid at a tea party in the deep South. They wanted me to scrape and grovel. They sat there so high and mighty, dispensing charity. Those women had no clue where I was coming from." — Social Allowance Recipient*

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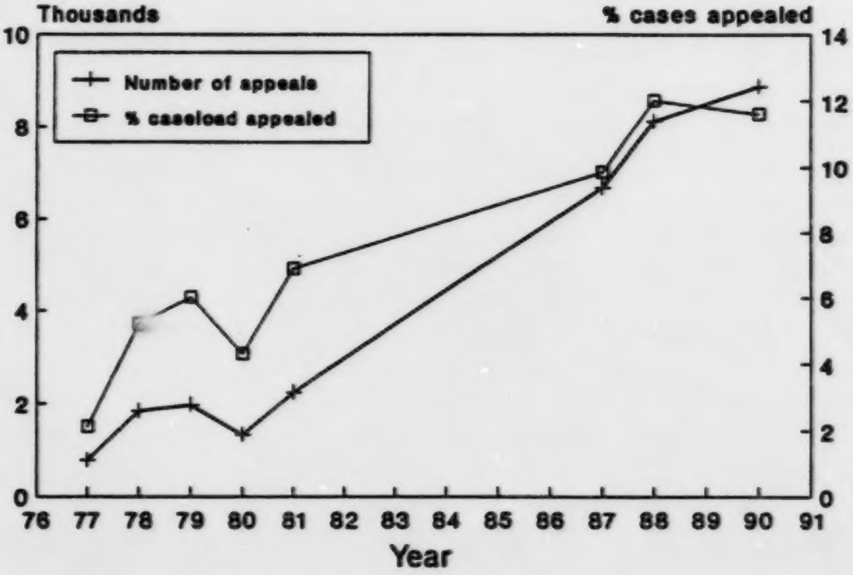
[114] Alberta Law Reform Commission, *Toward reform of the law relating to cohabitation outside marriage*, recommendation #20.

[115] Calgary Centre For Income Security.

The number of decisions appealed to the board level has risen with caseloads over the past few years. In 1987-88, 6,693 decisions were appealed; in 1990-91, the number had risen to 8,882. In 4,907 instances, the appeal boards reversed the decision in favour of the recipient. 33% of the appeals had to do with inadequate assistance, 43% pertained to eligibility for benefits. Only 4% related to termination of benefits, and the subject of the remaining appeals is unspecified.[116]

Table 7 Supports for Independence Survey
Rate of Appeals of S.A. decisions



The last resort of appeal in Alberta is the Ombudsman. In the 1990 calendar year, the Ombudsman's office conducted a total of 99 Family and Social Services investigations, 36 of which were decided in favour of the complainant. This number includes such matters as child welfare and Assured Support for the Severely Handicapped. No figures specific to social assistance are available.[117]

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[116] Alberta Family and Social Services, *Annual Report.*

[117] Office of the Ombudsman, *Annual Report.*

Suspension of benefits pending the outcome of appeals is arguably a violation of due process. The assumption that recipients are guilty until proven innocent is contrary to the fundamental principles of justice in Canada. Failure of the system to provide advocates to represent the interests of appellants is criticized as procedurally unfair by interest groups. Calgary Legal Guidance sometimes provides (six times in 1991) their staff lawyers or articling students to represent appellants, but this is not the norm.[118] There appear to be no other advocacy services in Alberta.

C. Maintenance Enforcement

The *Social Development Act* permits the provincial government to pursue maintenance and alimony payments owed to women, unless payments are already directly received by the woman.[119] Social Services policy is to pursue errant husbands and partners, and collect payments on behalf of the women and children to whom the money is owed. In theory, there is no contact between separated partners. The amount of the support payments collected is added into the recipient's cheque, and the portion paid by the government is decreased by that amount. In other words, the benefits received by the woman do not vary.

There are real advantages to this system of collection for both recipients and the government. For the women, this government intervention ensures that they do receive their maintenance, and may spare them from having contact with their former partners. Problems have arisen, however, for women and children escaping battering relationships. Some women interviewed explained their reluctance to reveal to their income workers the names and whereabouts of their partners, for fear that these men would find them and hurt or kill them. Despite the anonymity of government collection, the women were afraid that, if their partners knew which province they were in, or even which country, they would be able to find them eventually. All income workers interviewed for this report were sensitive to this concern, and policy clearly specifies that “should the client refuse to assist in pursuing maintenance or alimony, the caseworker must be satisfied that the reasons for refusal are justified.” On the other hand, policy based on the Act also provides the authority to suspend or deny benefits if the income worker thinks her reasons are inadequate or invalid.[120]

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[118] Marcia Clarke, Director, Calgary Legal Guidance.

[119] *Social Development Act*, s. 14(1).

[120] *Social Development Act*, s. 16(2)(c) and (d) state that if a person “has refused or neglected to collect income to which (s)he is entitled or to realize (her) assets, or both” or “has refused or neglected to avail (her)self of the advantages (s)he may have received under any other law,” benefits may be denied or suspended.

The National Council of Welfare estimates that one-third of the women recipients find themselves on social assistance because of marriage breakdown. It is estimated that 67% of families with young children living above the poverty line would become poor if the husbands left and didn't make support payments. [121] This is not to say, of course, that collection of maintenance payments would reduce the number of women on welfare by this proportion; it does mean a significant reduction in the amounts paid by the government to recipients.

The current methods of maintenance enforcement in Alberta are not effective. For the month of January, 1992, the program was unable to collect any money in 44% of its 28,000 cases. The amount of unpaid child and spouse support in Alberta since 1986 now total $97 million. Plans that automatically deduct support payments from wages and pay it directly to ex-spouses are in place in Ontario, and are recommended by many women's groups and social policy analysts.[122]

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[121] National Council of Welfare, *Women and poverty*, p. 65.

[122] *Calgary Herald*, March 19,1992.

IX. BARRIERS TO SELF-SUFFICIENCY

Almost all of the able-bodied women who were personally interviewed stated that they would rather be working than receiving welfare. Only some of the recipients with young or disabled children felt it was most appropriate for them to stay at home with their children for the time being, and then they intended to seek employment or training. The three disincentives cited most often to finding work were financial, childcare, and health care losses. Of the three barriers, only childcare is addressed by *Supports For Independence*.

A. Financial Disincentives

Under both the previous and the current welfare systems, welfare cheques are reduced on a ratio basis on income earned beyond $115 per month. This ratio has been in effect at least since 1986. Earnings between $115 and $200 are reduced by 50%, earnings between $200 and $300 by 75%, and earnings over $300 by 90%. In addition to wages and salaries, this applies to training allowances, babysitting in the client's own home, and services in kind.[123]

This means, at a minimum wage of $5.00 per hour, a woman would need to work about twenty-three hours to earn $115. Given the above ratio reductions, if she has a minimum wage job, she would work 40 hours at $5.00 to earn $200, but she would have to "pay back" half of every dollar earned above $115. To actually make and keep $200, she would need to work 57 hours. Likewise, for every dollar over $200 that she earns, she has to "pay back" three-quarters of it, so that she only gets to keep $1.25 of the $5.00 an hour that she earns. If she were to earn over $300, she would only keep 10% of her hourly wage, or $.50. Women interviewed said that this amount of money is not sufficient to make it worthwhile for most women to go to work. Also, no deductions from gross earnings are permitted for childcare, transportation, or work-related expenses. These costs can easily outweigh any possible profits.

Furthermore, any such earnings will be calculated and deducted, not immediately, but from a future cheque. Women interviewed reported that, when living in abject poverty, it is next to impossible not to spend their earnings immediately on necessities. When the money is de-

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[123] *Social Allowance Program.*

For about one and a half years I saved every dime I could. I scrimped on food, I did errands and chores for other people for cash, and set it all aside. Finally I had $500 saved up, and I bought a small piece of land in the country. I kept scrimping and saving until I had enough money to build a garage on it. Then I rented out the garage for awhile, and saved enough money to buy the materials to turn it into a house. Some friends and I did all the work and it took a long time. Then I sold it for $12,000. I quit welfare and used the money to go back to university and get a degree. It took me over ten years to get off welfare. If my social worker hadn't supported my efforts to improve my life, I never could have done it. — former Social Allowance Recipient

ducted from their welfare cheques two or three months later, they inevitably fall short in their monthly expenses.

It appears that seeking part-time work to supplement welfare benefits does not offer any incentive to help women become independent. Even if a woman was able to earn and keep an extra $115 per month, it would take years of diligent saving to acquire enough money to break the poverty cycle.

A good example of the problems associated with the current earnings exemption structure is provided in a brochure published by the Department of Family and Social Services.[124] The example given is that of a two parent family with children aged 10 and 14 years, where the father is working and earning $1,200 per month. The Supplement to Earnings program would then provide supplementary benefits of $396, for a total income of $1,596 per month. If this individual was not working, the family would receive $1,308 a month in benefits, a difference of $288. Clearly, it would be more efficient for this family to reduce its employment income to about $300 per month, which would provide roughly the same income for about one quarter of the work.

Many women interviewed reported that their only hope of leaving social assistance was to be able to set aside a certain amount of money and break the poverty cycle. The stringent asset requirements reduce women to a state of complete impoverishment before they are eligible to receive benefits. As welfare reform advocates note, these rules make it difficult for women to ever become self-supporting, because they have given up the tools they require to become self-supporting.[125] For example, a woman who had been working as a farmer would be required to sell her livestock and machinery, and possibly the vehicle she would have used to transport herself to a centre where she might find work.[126] Recipients felt that these financial disincentives encouraged cheating, because it is the only way to survive the system. One woman who has since left the welfare system explained how she broke the poverty cycle: "For about one and a half years I saved every dime I could. I scrimped on food, I did errands and chores for other people for cash, and set it all aside. Finally I had $500 saved up, and I bought a small piece of land in the country. I kept scrimping and saving until I had enough money to build a garage on it. Then I rented out the garage for awhile, and saved enough money to buy the materials to turn it into a house. Some friends and I did all the work and it took a long time. Then I sold it for $12,000. I quit welfare and used the money to go back to university and get a degree. It took me over ten years to get off welfare. If my social worker hadn't supported my efforts to improve my life, I never could have done it." — former Social Allowance Recipient

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[124] Department of Family and Social Services, *Now that I'm on the program.*

[125] National Council of Welfare, *Welfare in Canada*; National Anti-Poverty Association; Canadian Council on Children and Youth, *The New Thinking.*

[126] See also Canadian Advisory Council on the Status of Women, *Growing strong: women in agriculture.*

B. Childcare

When it comes to childcare, single mothers generally find themselves in a double bind. Most women are unable to find jobs that pay more than the minimum wage, a gross income of about $740 a month.[127] Child care in Alberta generally costs between $300 and $500 per month per child. In 1990, the Alberta Child Care Subsidy was expanded to increase the maximum subsidy paid per child. A portion of the parent's day care costs are paid directly to the day care centre. Under *Supports For Independence*, the remainder of the fees are paid if a mother is working or in training at least four hours a day. Previously, only $40 was paid by the department.[128] Several mothers surveyed, however, stated that they continue to pay the balance of fees themselves. It is not clear whether there is simply a lag in implementation, and they will be reimbursed, or whether some Financial Benefits Workers are neglecting to provide this subsidy.

Whether or not the subsidy is provided, quality child care is in short supply in Alberta. Available child care does not necessarily mean accessible child care. Transportation is often a problem, especially during the winter months. Women in rural areas have little access to formal child care, and over 75% of child care in urban Alberta is "for profit."[129] Many child care centres do not accept infants or special-needs children, and most non-profit centres have long waiting lists. As well, some women reported being turned away from centres because they were welfare recipients.

C. Health Care

In Alberta, high health care premiums and lack of subsidized dental care are powerful disincentives to leave the welfare system. Health care premiums are subsidized for low-income women, but the cut-off point for subsidies is very low. Those living just above the subsidy limit have difficulty paying the quarterly fees. Blue Cross health insurance, a plan that covers prescription drug costs among other things, is available for an additional premium, but this too is beyond the means of many poor women. As well, dental care is not covered by the provincial plan, so that low-income women may have no access to dental care at all. Health and dental benefits are automatically covered for women and children on social assistance. Given the expense of dental care and prescription drugs, it is no wonder that women fear losing these benefits.

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[127] Based on a 37 hour work week.

[128] Department of Family and Social Services, *Social Allowance Program, Basic Necessities, Other Benefits*.

[129] ASWAC, *Women Against Poverty*, p. 25.

X. TRAINING

The most important and innovative component of the *Supports For Independence Program* is its emphasis on giving women the tools to secure jobs that will ensure their permanent independence from the welfare system. To accomplish this goal, *Supports For Independence* must ensure that

(1) education and training programs are available;

(2) education and training programs are accessible;

(3) programs meet women's needs at both the macro and individual levels;

(4) that training programs match forecasts of quality jobs.

A. Training of Social Allowance Recipients

An increase in unemployment and welfare caseloads in the early 1970s led to "employability agreements" between the provinces and the federal government. They are called "four-cornered" agreements because they involve social assistance and employment departments at both the federal and provincial levels.

In 1987, Alberta signed such an agreement with the Federal Departments Health and Welfare and Employment and Immigration Canada, allocating $32 million to employment and training supports for recipients. Under the terms of the agreement, each level of government diverted $8 million for a total of $16 million in 1987-88 and 1988-89. The money was used to expand provincial employment initiatives and to increase recipients' participation in two *Canadian Job Strategy* programs, the *Job Development* and *Job Entry Programs.*[130]

At the time, the federal government stressed that the essential principles of the *Canada Assistance Plan* were not to be compromised: this was not to be a "work for welfare" or "workfare" scheme.[131] Critics have suggested that welfare programs that compel recipients to accept work or training indirectly violates the requirement of the *Canada Assistance Plan* that eligibility for assistance is to be based on the fact and not the causes of need.[132]

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[130] Health and Welfare Canada, *Inventory of income security programs in Canada.*

[131] Wendy McKeen, *The Canadian jobs strategy: Current issues for women*, p.11.

[132] G. Riches and L. Manning, *Welfare reform and the Canada assistance plan.*

Whatever its benefits and drawbacks, the *Canadian Jobs Strategy* $1.7 billion budget will be reduced by $100 million in the 1992-93 fiscal year. These cuts are projected by training groups to jeopardize programs for thousands of women.[133]

1. Provincial Initiatives

Provincial training options are offered by Alberta Career Development and Employment and by private companies contracted by the Department. The provincial programs are:
Employment Alternatives Program (EAP)
Employment Skills Preparation (ESP)
Alberta Vocational Training (AVT)
Vocational Rehabilitation for Disabled Persons (VRDP)
Special Placement Work Experience Program (SPWEP)
Opportunity Corps,
Alberta Youth Employment and Training Program (AYETP)
Private vocational schools (PVS)

As well, there are a number of initiatives specifically for women who have been out of the labour force for some time, such as the Contemporary Woman Project in Calgary, administered by the Department of Continuing Education.[134]

This assortment of programs can be broken down as follows: The Employment Alternatives Program provides wage and training subsidies to private sector employers; Employment Skills Preparation and the Alberta Youth and Employment and Training Program provide on-the-job training and work experience through provincial or municipal governments, school boards, post-secondary institutions, health authorities, auxiliary hospitals, and nursing homes. The Special Placement Work Experience Program assists disabled and age disadvantaged people to obtain work experience through a variety of means. Opportunity Corps runs primarily in northern communities, and involves participants in work activity projects sponsored by local community and non-profit organizations. Alberta Vocational Training has several components. The two largest are Student Support, grants for tuition and training allowances for people attending training from four to 52 weeks, and Skill Enhancement, grants and allowances covering the costs of academic upgrading or training in certain occupations that are or are expected to be in high demand.[135]

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[133] Calgary Herald, February 13, 1992.

[134] Alberta Family and Social Services, Working *towards independence . . . A guide to planning your future*.

[135] ibid.

2. Federal Initiatives

Federal training options are restricted to the Job Entry and Job Development programs under the *Canadian Jobs Strategy*, which is delivered by Canada Employment Centres. The *Canadian Jobs Strategy* is intended to be a flexible program to help people become better trained, and to remove employment barriers encountered by women, Aboriginal people, visible minority groups, people with disabilities, and social assistance recipients. Under the *Four Cornered Agreement*, recipients are intended to make up 20% of the participants in these programs, although they currently constitute only about 13%.[136]

The *Job Entry* program includes three options: a program to assist youth become active in the labour force, particularly those who have not completed high school; a re-entry program for unemployed women who lack adequate training or work experience; and pre-employment training, including life skills, job search techniques, and counselling for severely disadvantaged people, that is, people who are not "job ready" due to disabilities or disadvantages.

B. Accessibility of Training Programs

As discussed in the section on service delivery, the majority of women in the Employment and Client Support Program are not able to access any services or referrals to education, training, and upgrading programs. Due to the unexpected increase in recipients, Employment and Client Support Services Workers are currently in short supply. In those offices where there actually is a worker, recipients are generally being told to find their own programs, and then place their names on a list to speak to the worker and obtain permission to take a course.

Most employers interviewed for this study explained that they themselves, not an Employment and Client Support Services Worker, had initiated the process to obtain workers through the *Employment Alternatives Program* and the *Employment Skills Preparation* program. It was their impression that Employment and Client Support Services Workers were too overloaded to make referrals, and were also perhaps unaware of some of the options available. The latter problem may have been rectified by recent Department training programs for Employment and Client Support Services Workers. The former problem continues.

According to sources in the department, there are sufficient upgrading, training, and job search programs in Alberta to meet the needs of women recipients. The bottleneck in the system is with the *Employment and Client Support Program*, and it is a temporary result of the unexpected increase in the welfare rolls over the past year. They hope that sufficient welfare workers will soon be hired to allow the Employment and Client Support Services Workers to return to their appropriate duties and manage larger volumes of recipients. This possibility seems slim, however, as new workers are not being hired with sufficient speed to manage the huge influx of cases,[137] and the economy shows no signs of imminent improvement.

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[136] CLMPC Report.

C. Meeting Women's Needs

43% (59) of the survey respondents were registered in training and job search programs by way of the *Employment and Training Program* under *Supports For Independence.*[138] Half of the women stated that the program in which they were registered was meeting their expectations, 5% (3) stated it was not, and the rest declined to comment. One-third of the women (20) reported that transportation problems made it difficult to attend their classes. No respondents reported that childcare problems interfered with their attendance.

Women interviewed fell into one of two camps: either they were extremely pleased with their program or largely dissatisfied with it. Highly evaluated programs were generally those teaching very basic life and work skills, and those offered by community colleges, at either a very basic or advanced level.

43% (25) of the 59 women in training believed that their program would help them find the job they wanted. 48% (28) were not sure whether it would be helpful, and 9% (5) thought it would not be helpful. This is at least in part because of the huge discrepancy between the types of training the women were receiving, and the education they would need in order to obtain the jobs they would really like to have. Most of the women were taking life skills or training at some level toward clerical work, although only 13% (16) of all 138 survey respondents named clerical work as the work they would really like to have. In fact, the 119 responses to this question covered 41 occupations, ranging from nurse to florist to accountant to mechanic. The education required to pursue their desired careers was correctly identified in all but five instances. 39% (47) would require a university degree, 39% (47) would require a college or technical diploma, 13% (16) would require a special course, 8% (10) would require a high school diploma, and 2% (2) would require no additional training.

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[137] Linda Karpowich.

[138] As noted in the Methodology section, measures were taken to ensure a sufficient number of respondents in training were surveyed to allow some analysis.

Under both the old social allowance program and *Supports For Independence*, welfare recipients are not permitted to attend university, technical school, or college (except some community college programs) first, because training will not be provided for more than two years; second, because it is believed that recipients could access student loans instead of relying on welfare. Some women interviewed reported, however, that they had been denied loans; others explained that, without the additional health, dental, childcare, and transportation benefits available under welfare, the amounts provided by loans were inadequate for their families to live on. The women interviewed felt that other student-headed families were able to squeeze by on loans for a few years because they had acquired savings and possessions that welfare recipients don't have.

D. Economic and Labour Forecasts and Training

Economic and employment forecasts suggest that the desired careers of recipients would encourage independence far better than pink-collar jobs.

1. The Forecasts

According to Canadian business leaders, the shift in Canada from a resource-based to an increasingly service-based economy means that we must re-train workers quickly and effectively if Canada is to remain competitive. Service sector employment currently accounts for about 71% of total Canadian employment, and this will increase over the next decade.[139] While business and labour people are quick to point out that "training is not a panacea for unemployment,"[140] most agree that skilled labour is one of the few areas in which Canada can create and retain a competitive edge, and national performance will depend on our sophistication in the development and application of new technology.[141]

At present, Canadian workers are ill-prepared for the workforce changes that will accompany these economic shifts. A 1987 survey conducted by Southam revealed that 5 million Canadians are functionally illiterate. This problem is not being addressed by the public education system. 30% of Canadian students do not complete grade 12 and 17% of graduates are functionally illiterate.[142] It is predicted that jobs with high skill and educational requirements will gradually occupy a larger share of the employment market. Between 1986 and 2000, it is expected that jobs requiring 13 to 17 years of education will increase from 27% to 43%, and jobs requiring less than 12 years of education will decrease from 44% to 33%.[143]

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[139] Statistics Canada, *The labour force*.

[140] CLMPC Report, Executive summary.

[141] CLMPC Report.

Calgary business leaders report that, after careful study, they "have reached the conclusion that the education levels of the Canadian labour force are inadequate," and if steps to address this are not taken immediately, "the Canadian economy will be in dire straits in the next five to ten years."[144]

It is widely agreed that effective human resource planning will be critical to the ability of labour markets to cope with ongoing changes in technology, demographics, and the economy. Young workers who lack basic literacy, numeracy, and technical skills are difficult to re-train so that they can keep in step with technological changes. These workers are critical to the system. Due to falling birth rates in Canada, the number of young people entering the workforce is decreasing, and those we have will need to be better educated. The re-structuring of the Canadian economy in the 1980s as a result of international trade and competition has meant the loss of well-paid manufacturing jobs, most of which were filled by low-skilled workers. This has led to increased polarization in the labour market between high-paid, high-skill and low-paid, low-skill jobs. Recent research confirms that two distinct sectors are emerging in the labour force: high skill jobs with high pay, good benefits, and legal protection, and low skill, often part-time, jobs with lower pay and less protection in terms of job security, medical coverage, and pensions.[145] Even the less well-paid service jobs are requiring more sophisticated technical and literacy skills.[146]

2. The Nature of the Programs

Considerable research has been conducted to determine whether the training programs attended by women welfare recipients will help them to compete in the changing Canadian economy. The great majority of available training and employment programs in Alberta attended by women direct them into clerical jobs.[147] Given economic forecasts, this reality appears to detract from the stated objective of *Supports For Independence* to help women to leave social assistance. **There appear to be no efforts made to match training programs with forecasts of quality jobs available in the labour market or to train women in occupational areas with potential for upward income mobility.**[148]

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[142] Statistics and Southam survey cited in CLMPC Report, p. 199.

[143] Employment and Immigration Canada, *Canadian occupational projection system.*

[144] Dylan Perrara, Chairperson, Human Resources, Calgary Chamber of Commerce.

[145] Economic Council of Canada, *Good jobs, bad jobs,* cited in *Planning Environment Assessment Document.*

[146] CLMPC Report, pp. 243-269.

According to the Report of the Canadian Labour Market and Productivity Centre, the "major goal of these [training] programs is to prepare workers with 'labour market difficulties' for the available [mainly low-skill] jobs, not to raise the general level of skills." [149] In the 1980s, half the women enroled in publicly-funded training programs in Canada were in pre-skill courses offering life skills and basic training, whereas men received more job skills training.[150] For example, women make up only 4% of apprentices in Canada.[151] Comparable figures are not available for Alberta training programs.

In Alberta and elsewhere, strong objections have been voiced about government's policy of privatizing employment training. Privatization of training through the payment of wage subsidies to employers is said to promote short-term, non-certified, narrowly job-based training rather that more developmental training and substantial skill upgrading.[152] This is thought to reinforce the occupational segregation of women because most of the programs are not concerned with the needs of the trainees, they are short-term, and tend to place women in traditional, low-paid occupations.[153]

3. Program Evaluation

The Department of Family and Social Services does not monitor the progress of recipients who have been placed in training to see if they have found jobs.

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[147] according to 2 career counsellors and 4 Employment and Client Support Services workers. This is supported by lists of training opportunities available.

[148] CLMPC Report, executive summary.

[149] CLMPC Report, p. 263.

[150] Wendy McKeen, *The Canadian job strategy:*, and Linda MacDonald, *Training: For self-sufficiency or dependency.*

[151] CLMPC Report, p. 165.

[152] ibid.

[153] Wendy McKeen, *The Canadian job strategy;* Jane Gaskell and Arlene Tigar-McLaren, *Women and education: A Canadian perspective;* Terry Dance & Susan Witter, *The privatization of training: Women pay the cost;* Susan Wismer, *Women's education and training in Canada: A policy analysis.*

A few evaluations of Alberta training programs have been conducted independent of the Department. One of the leading studies was as assessment of the Columbia Training Centre's Futures Program. It found no major differences in success due to marital status, number of children, or employed and unemployed graduates. It also found that unemployed graduates were unemployed slightly longer that currently employed graduates prior to attending the Futures Program.[154]

Assessments of federal programs are more common. According to the findings of a 1989 survey conducted by the National Anti-Poverty Organization[155], there are seven problems commonly reported by women attending *Canadian Jobs Strategies* programs:

- poor advertising and uneven quality of programs
- training courses too short to provide any grounding in a subject
- lack of practical experience on the part of instructors
- inadequate equipment and technology
- lack of "real" work experience in employment preparation
- subtle racism, sexism, and discrimination against poor people
- lack of quality child care

Evaluation of specific federal projects is limited, but *Canadian Jobs Strategies* conducts follow-up surveys on all its training recipients at three and again at ten (formerly twelve) months. Surveys show that at ten months half of all recipients were in training or had found some sort of employment. There is no information on the type or duration of that employment. Recipients had higher employment and impact rates compared to other client groups, although about 40% were experiencing unemployment after training, and many had to apply for welfare after the training was completed. Data specific to women recipients was not provided.[156]

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[154] Jean Wallace and Joe Hornick, *An evaluation of the Columbia training centre's futures program.*

[155] NAPO, *You call it a molehill, I'll call it a mountain.*

[156] Employment and Immigration Canada, *Job development program evaluation*, pp 100-104; Employment and Immigration Canada, *Annual Report 1989-90.*

XI. SUPPORTS FOR INDEPENDENCE — ECONOMIC EFFECTS

The overriding purpose of the *Supports For Independence Program* is to save money. A simple cost-benefit calculation was made to determine whether the program will accomplish this goal within a reasonable period of time, and whether, in light of the preceding sections, there might be other cost-efficient ways of helping women achieve economic independence.

To determine the net economic effect of the *Supports For Independence Program* on individual recipients and the economy as a whole, four factors were considered:

(1) Reduction in benefits paid due to caseload decrease;

(2) Potential reduction in staff costs due to caseload decrease;

(3) Economic gain from the expected income increase that should occur when a recipient leaves social allowance;

(4) Tax revenue generated when a former recipient finds employment.

According to the Department of Family and Social Services, introducing the *Supports For Independence Program* cost $61 million. It was expected to reduce the welfare rolls by 2000 cases in the first year of operation.

To estimate factors 3 and 4, the average wage of a woman finding employment had to be determined. For simplicity, the median wage quoted by survey respondents of $9 per hour was used. This is also a reasonable figure in terms of what would be required to at least equal the amount of recipients' welfare benefits, including the health, dental, child care, transportation, and other benefits that are received.

Table 8

Factor	single person	single parent with 1 child	two parents with 1 child
Case reduction	2000	2000	2000
Average annual benefits	$5640	$10560	$13140
Annual benefit reduction	$11,280,000	$21,120,000	$26,280,000
Financial Benefit worker caseload	375	375	375
Employment and Client Support Services worker caseload	75	75	75
Potential SW salary reduction	$1,157,333	$1,157,333	$1,157,333
Average wage	$9.00/hour	$9.00/hour	$9.00/hour
Annual wage	$18,720	$18,720	$18,720
Estimated Tax revenue	$2,554,000	$2,282,000	$2,282,000
Annual Benefit to Alberta government = reduction in benefits and staff costs + tax revenue	$14,991,333	$24,559,333	$29,719,333
Break-even point in years	4.07	2.48	2.05

Potential cost-benefit to the Alberta government using the official target of a reduction of 2000 cases from the social allowance caseload.

Assumptions:

1. SFI cost $61M as was estimated by Family and Social Services.
2. Staff reductions can be made as caseloads decrease.
3. The average hourly wage of $9.00/hour was based on an estimate of the amount needed to make leaving SA pay off, and was also the median wage stated in our client survey.
4. All 2000 cases stay off welfare for at least the break-even period.

Based on the welfare worker salary schedule in place prior to *Supports For Independence*, the salary figures used in the estimate of staff costs savings were $37,000 per year for Employment and Client Support Services Workers, and $32,000 per year for Financial Benefits Workers.

Three types of client classifications were tested: a single women with no children, a single mother of one, and two parents with one child.

Table 8 shows that if 2000 single women left welfare and secured full-time employment, the annual benefit to the Alberta government would be about $15 million. Substituting single mothers for single women without children, the benefit would be about $24.5 million, and substituting two-parent families with one child, the benefit would be almost $30 million.

For the above three examples, assuming that all 2000 cases were able to stay employed, the times required to break even with the cost of implementing *Supports For Independence* would be 4.07 years, 2.48 years, and 2.05 years respectively .

There are many assumptions within this forecast. First, it is unclear how Social Services arrived at the figure of 2000 for caseload reduction, given that *Supports For Independence* is intended to reduce the welfare rolls by such difficult to quantify means as streamlining service delivery and repackaging benefits. Second, the ability of often unskilled recipients to find jobs paying an average wage of $9 per hour is questionable in the current economic climate. Third, the forecast assumes that these jobs would be permanent for two to five years, another shaky premise in today's economy. Finally, the estimate is conservative in that it does not take into account the expected increase in income for individuals leaving the social assistance program for paid employment.

An additional complication is the absence of any mechanism to track the recipients' progress through the program. Until the Department implements a system to follow-up on recipients who find employment, it will be impossible to truly evaluate the success of the *Supports For Independence Program* on any of its objectives.

The analysis shown in the table clearly illustrates the high stakes involved in the social allowance system. On the surface, a $61 million investment seems large for a reduction of only 2000 in a total caseload of 76,000, but if the program were successful, the investment could be recovered in as little as two or three years.

It is also clear from Table 8 that staff salaries are a relatively minor component of the overall cost of social allowance. Much more substantial savings could be realized from caseload reductions than by reducing staff.

Most of the individuals and groups contacted during this study felt that benefit levels were too low. Table 9 shows what the provincial budget implications would be if benefits to families with children were increased by either 20% or to the National Council on Welfare poverty line. The sums of money required for benefit increases of this magnitude are obviously large (over $300 million dollars to put all families up to the poverty line), but there are many "hidden" benefits related to the alleviation of poverty. For example, health, legal, and social costs could be expected to decrease, and the economic "spin-off" resulting from putting money in the hands of low-income families would likely be considerable. Here again, more research is required to determine optimum levels of assistance.

Table 9

Estimated annual cost to the Alberta government of:

a.) increasing the incomes of welfare families with children to poverty line, and
b.) a 20% increase in both the Standard Allowance and Shelter Allowance for welfare families with children.

	Single parent families	Two parent families
Average monthly Social Allowance income	$1115	$1346
Other income (Family Allowance, Child Tax Credit, etc.)	$201	$201
Total monthly income on welfare	$1316	$1546
"Poverty Line" (Statistics Canada low-income cutoff for 1990)	$2046	$2352
"Poverty Gap" (Poverty line - total welfare income)	$733	$806
Number of recipients in category as of September, 1990	26092	7828
Annual Cost to raise incomes to poverty line	$229,629,894	$75,708,067
Annual Cost of 20% increase in both Standard and Shelter Allowance	$69,836,108	$25,281,309

Assumptions:

1. Family sizes range from one to three children, and are roughly evenly distributed with respect to age.
2. Family allowance, Child Tax Credit, and Federal Sales Tax Credits are based on 1990 levels as calculated in the 1990 Welfare Incomes report by the National Council on Welfare.
3. Estimates of the number of cases who were single parents with children and two parent families with children are from the Alberta Department of Family and Social Services News, December, 1990 Supplement.

XI. CONCLUSIONS

Assessment of *Supports For Independence* is limited by the absence of any built-in mechanism to track the success rates of recipients who go through the program, and by the fact that it has only been in place for one year. Despite this, it is not difficult to assess the program's objectives, and determine whether the methods chosen to accomplish them are working or are likely to work.

The overriding objective of the *Supports For Independence Program* is to reduce the welfare rolls and save money by helping recipients, especially women, find jobs and become self-sufficient. To accomplish this objective, it must correctly identify both the reasons why women end up on welfare and the barriers and disincentives to leaving the system, and then come up with ways of overcoming these barriers.

To its credit, *Supports For Independence* attempts to tackle a monstrously difficult and politically volatile problem. The program includes some very positive initiatives to address some of the barriers women face in leaving welfare. It improves the child care benefit available to recipients. It allows women with small children the choice of remaining in the home or pursuing work and training options. It addresses inequities caused by worker discretion and eliminates humiliating budget deficit assessments by standardizing the benefits package. Its policy states that it recognizes that most people don't want to be on welfare and would rather be working, and it certainly intends to help women access training and upgrading programs.

Despite these commendable measures, *Supports For Independence* does little to help women become self-sufficient. Six major barriers to independence were identified: eligibility and needs tests that create hardships and perpetuate dependence on the system; inadequate rates of assistance; complex and inefficient systems; unfair, arbitrary, and intrusive enforcement practices; disincentives to work; and inadequate and inappropriate education and training options. None of these is overcome by *Supports For Independence.*

Supports For Independence makes no changes to welfare eligibility requirements in Alberta. Requirements still demand that a woman be reduced to abject poverty before receiving benefits, making her entirely dependent on the system. No efforts are made to accommodate the needs of immigrant women, native women, or women with disabilities.

While benefits have been somewhat standardized under *Supports For Independence,* reducing worker discretion and inequities in benefit levels, the amount of benefits has been reduced for single recipients and single-parent families. Since most single-parent families are headed by women, this appears to be an unfair distribution of benefits. In 1990 constant dollars, benefits have decreased by 32% for a single recipient with no dependents, and 5% for a single parent with one child. Low benefit levels ensure that recipients spend all their energy trying to survive each month, rather than planning for the future. The abolition of the children's recreation allowance is creating hardships for children, many of whom can no longer participate in extra-curricular activities.

The new system of specialist service delivery is a key element in the *Supports For Independence Program*. While there appear to be some merits to the team approach to delivery, certain elements that it requires to function are lacking.

First, there appears to be a shortage of Employment and Client Support Services Workers in many offices, due in part to the unexpected caseload increase in 1991. From the interviews with Employment and Client Support Services Workers, the ratio of Financial Benefit Workers to Employment and Client Support Services Workers should ideally be 1:1, and no more than 2:1. Since the efficient guidance of clients into appropriate training and career development is vital to the success of the *Supports For Independence Program*, the need for adequate numbers of Employment and Client Support workers cannot be overemphasized. As well, cost-benefit calculations show that staff salaries are only a minor part of the total cost of providing social assistance. This means that if the Department of Family and Social Services is truly convinced of the effectiveness of the Differential Use of Services model, then it would make economic sense to invest in sufficient staff and reap the large cost savings that result from caseload decreases.

Second, the level of qualifications required for the hiring of Financial Benefit workers may be too low. Financial Benefit workers play an important role in the new delivery system, as they are required to handle a caseload of 350-400 clients, and at the same time make crucial judgements about managing benefits and determining who is eligible for the Employment and Client Support Services program. It is thought that individuals with clerical as opposed to social work training may have difficulty handling such important decisions, especially under the pressure imposed by large caseloads.

The specialist model as it now functions complicates, rather than simplifies, service delivery. Women are not receiving the support they need to become independent; rather, reliance on the system is perpetuated. Services are less accessible to all women, and especially women with disabilities and women whose English-language skills are limited.

Moreover, it is difficult to see how the system purports to provide additional support to recipients when welfare workers are merely income clerks, who do not and can not provide personal counselling or guidance.

Supports For Independence initiatives include tough new enforcement measures, designed to rid the welfare system of cheats and recipients unmotivated to find work. Some investigation procedures violate recipients' civil liberties and equality rights, and should be abandoned. Women's personal lives and intimacies are microscopically monitored, and relationships with men are discouraged. Particularly unfair is the "spouse in the house" rule, which is believed to contravene the equality provisions of the *Canadian Charter of Rights and Freedoms*. Benefit suspension and termination practices are also unfair. Benefits are so fragile that they can be suspended on the basis of mere allegations of wrongdoing. As well, the hiring of 32 new fraud investigators is questioned on the basis of cost-efficiency. There is nc indication that the number of fraud convictions has increased due to this staff increase. In fact, the number of charges laid in proportion to the increase in recipients may have dropped over the past year.

Aside from simply terminating the benefits of recipients who don't find work in a given time period, disincentives to work are not addressed by *Supports For Independence*. Earnings from part-time employment are taken away, and health, child care, and transportation benefits are reduced or lost when a recipients finds work.

But even if *Supports For Independence* was able to address all these problems, its greatest deficiency is the area of training. Given Canada's changing economy and labour force needs, the kind of training provided and the occupations into which recipients are being directed will not provide women with the stable income and benefits that will allow them to independently support themselves and their families. The assumption that short-term life skills and clerical training will provide women with the skills they need to be independent is false. As the schism in the labour market between highly trained, technical workers and unskilled labourers widens, most women who did find work will become unemployed and return to the welfare system. Those who remain employed will be doomed to a life of poverty in the pink-collar ghetto. The costs of increased crime, illness, and the other conditions engendered by poverty will be borne by society.

The simple economic analyses done here serve mainly to show the high stakes involved in any attempt to reform the social allowance system. As can be seen in the cost benefit table (Table 8), even a very large investment, if well spent, can result in a net saving to the province within a reasonable period of time. There is currently a significant lack of quantitative research on the implications of changes in welfare policy on caseloads and overall costs to society. As the total amount of money spent by the province on welfare benefits approaches the billion dollar mark, it becomes clear that much more thought must be given to the methods by which people on welfare can be given the means to achieve true independence.

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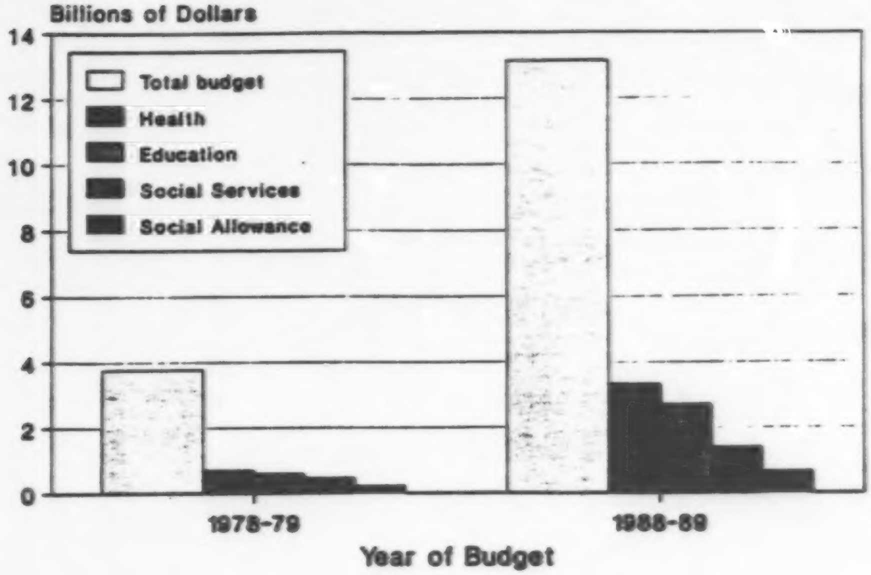
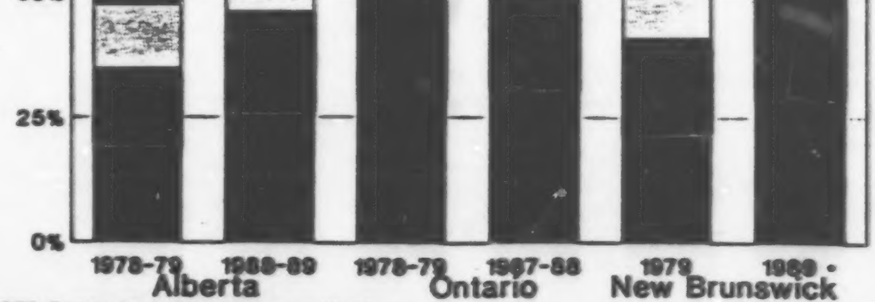
APPENDIX

Proportion of Alberta Budget Spent on Health, Education, and Social Services



Proportions of Provincial Budgets Spent on Education, Health, and Social Service



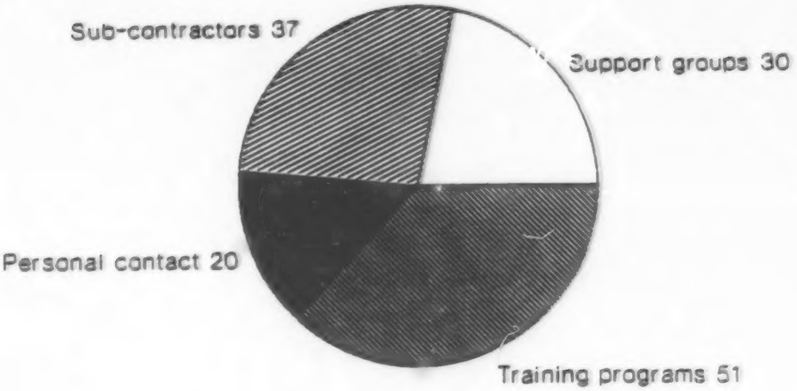
* 1989 Social Services data unavailable for New Brunswick

SURVEY RESULTS: YES/NO QUESTIONS

Question	No	Yes	Unsure	No answer
Aware of new program	73	64		1
Allowance meets basic needs	114	21		3
Placed in right program	16	42	75	5
Extra income	101	36		1
Employment support needed:				
Health benefits	26	109		3
Dental benefits	26	109		3
Child care	56	79		3
Transportation	47	88		3
Other	108	26		3
Will training help get job	5	25	28	80
Happy with new program	81	28	7	22
English is first language	22	82		34
Disabled	84	21		33
Single parent	49	89		
Special problems affecting employment	64	70		4

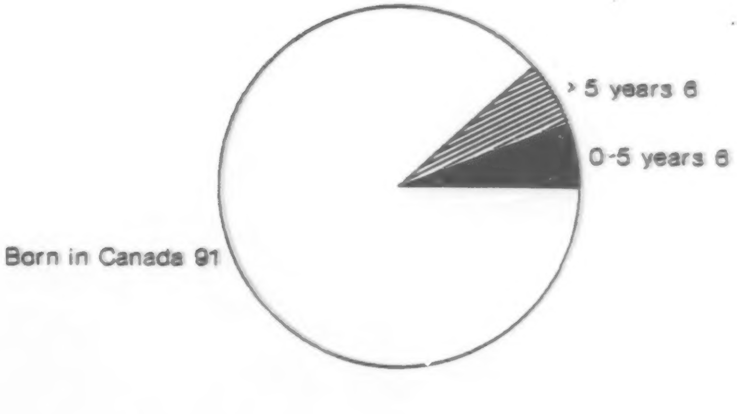
This table shows the results of the yes/no questions for the 138 respondents in the Supports for Independence Survey.

Supports for Independence Survey
Source of Recipients



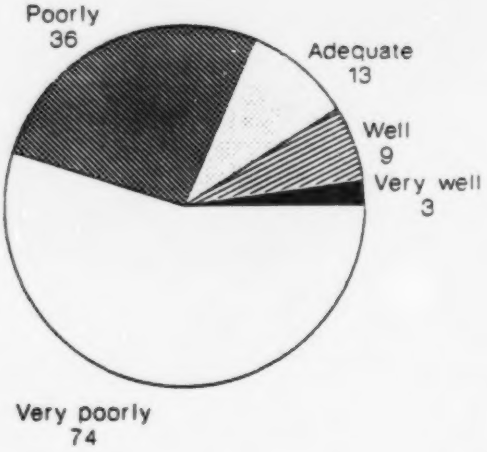
These values were from a total of 138 respondents.

Supports for Independence Survey
Length of Residence in Canada



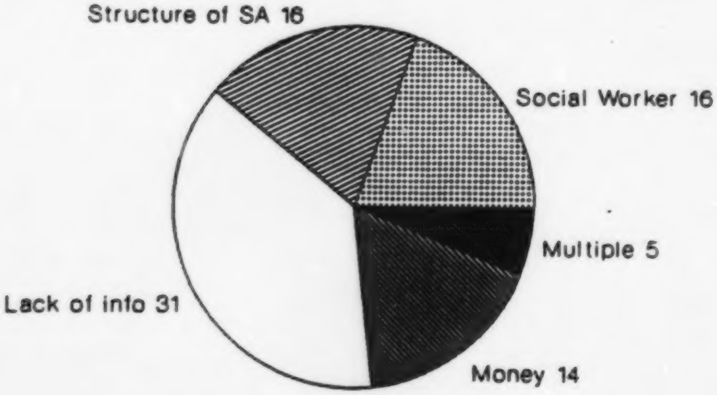
These values were from a total of 103 respondents.

Supports for Independence Survey
Explanation of Supports for Independence



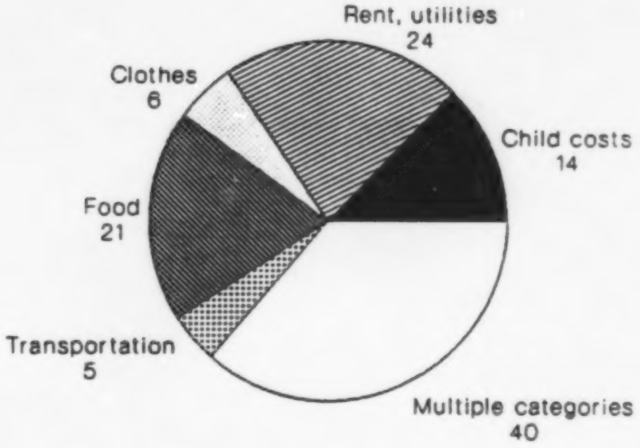
The numbers shown are from a total of 135 respondents.

Supports for Independence Survey
Reasons Recipients Not Happy with SI



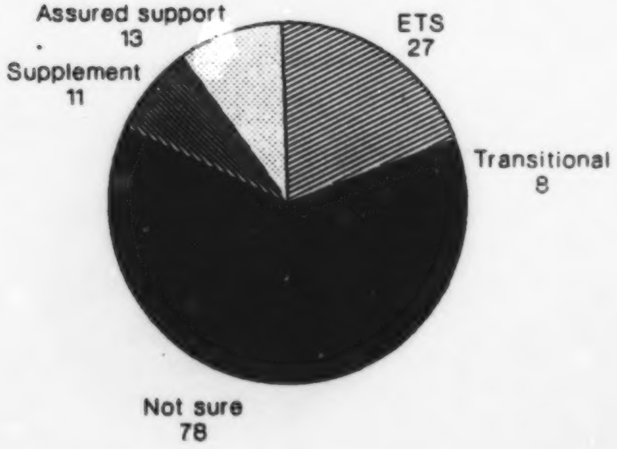
These values were from a total of 82 respondents.

Supports for Independence Survey Categories of benefit Shortfall



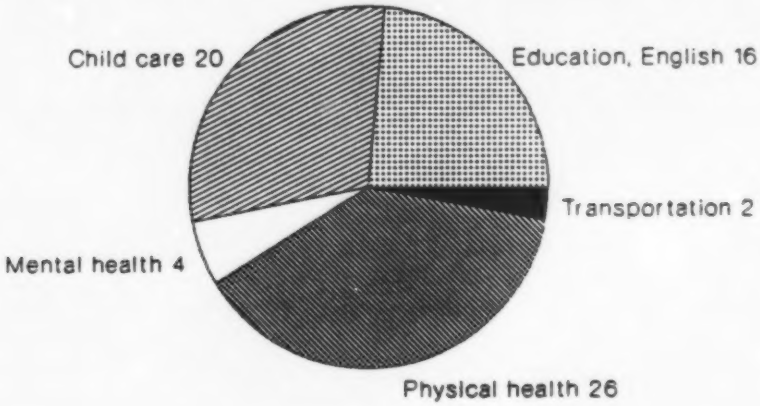
The numbers shown are from a total of 110 respondents who said Social Allowance did not meet basic needs.

Supports for Independence Survey Client Categories



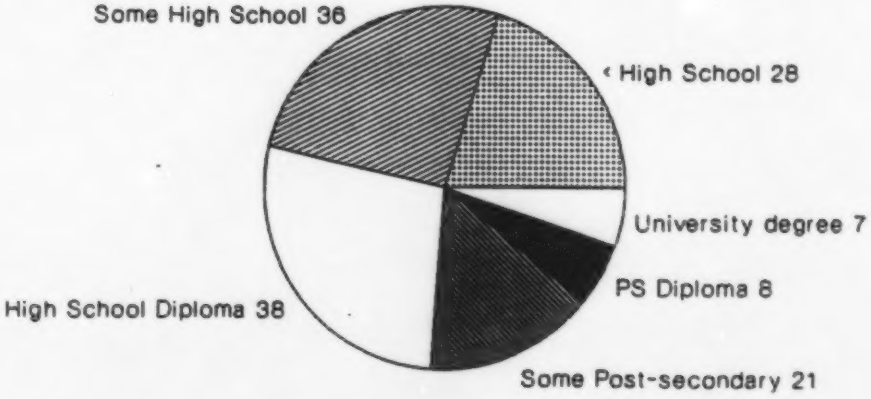
The numbers shown are from a total of 137 respondents.

Supports for Independence Survey
Special Problems Preventing Employment



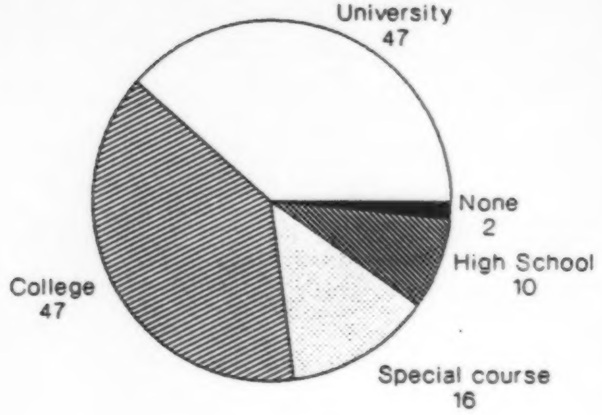
These values were from a total of 68 respondents.

Supports for Independence Survey
Education Levels of Recipients



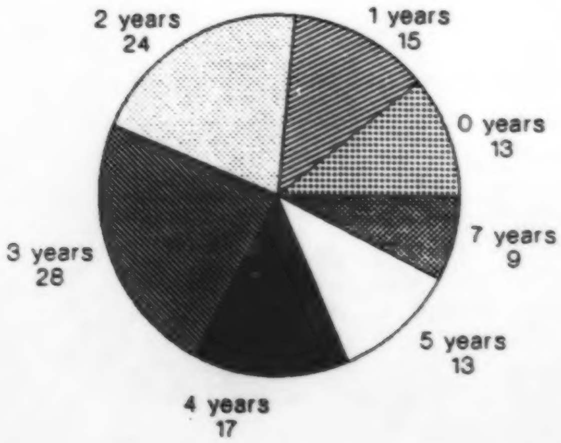
These values were from a total of 138 respondents.

Supports for Independence Survey
Education Needed for Career



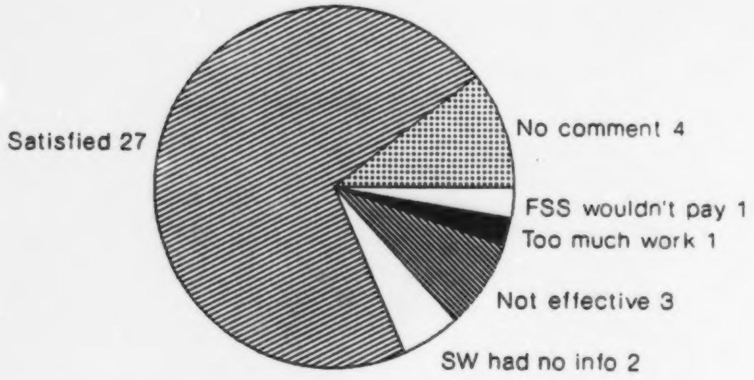
The numbers shown are from a total of 119 respondents.

Supports for Independence Survey
Years of Education Needed for Career



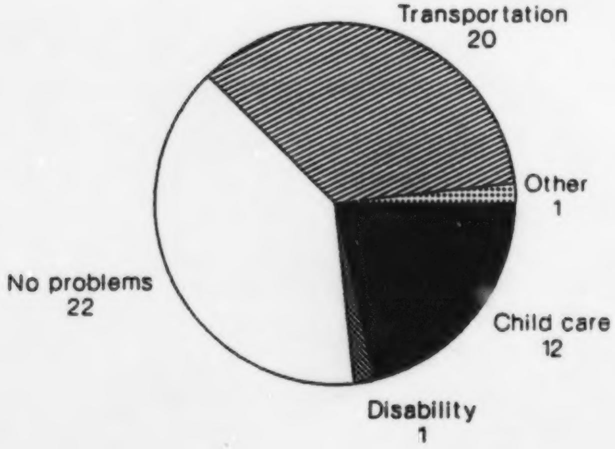
These values were calculated by subtracing the years of education achieved from years needed, using recipient estimates

Supports for Independence Survey
Comments about Training Programs

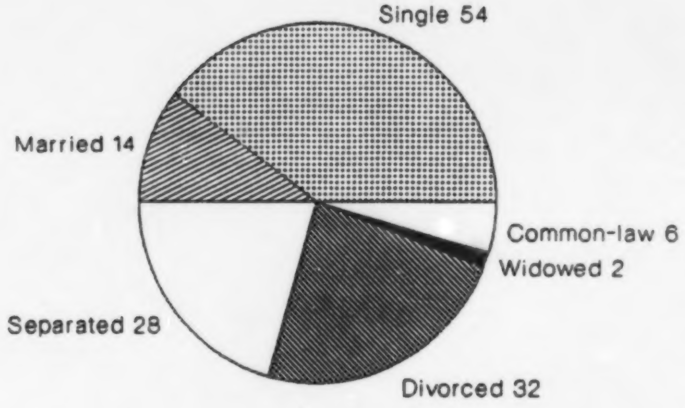


These values were from a total of 38 respondents who were in training programs.

Supports for Independence Survey
Problems Attending Training Programs

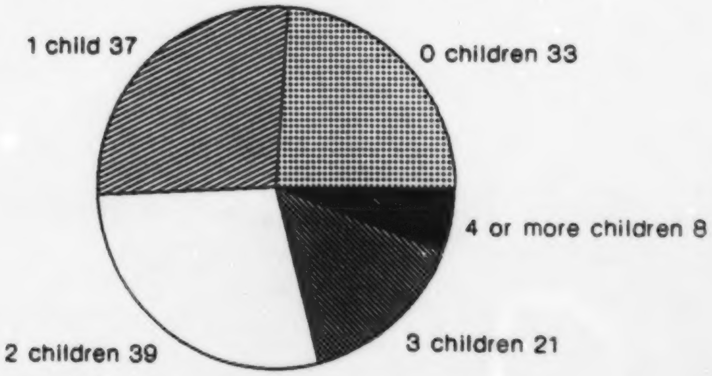


These values were from a total of 46 respondents.



Supports for Independence Survey
Marital Status of Recipients

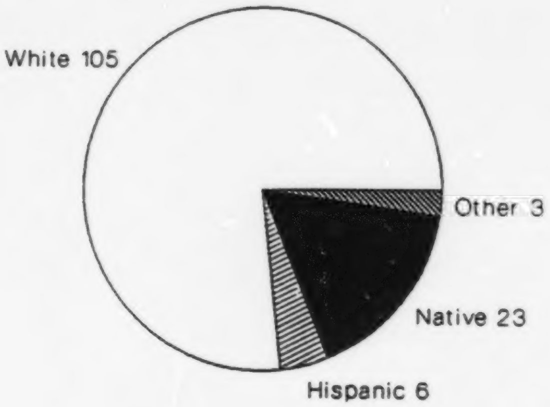
These values were from a total of 138 respondents.



Supports for Independence Survey
Number of Children of Recipients

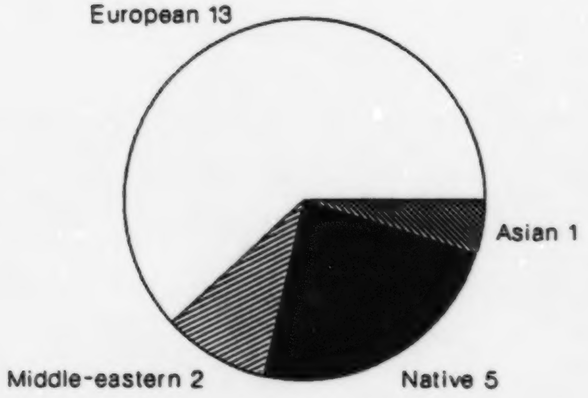
These values were from a total of 138 respondents.

Supports for Independence Survey
Ethnic Status of Recipients



These values were from a total of 137 respondents.

Supports for Independence Survey
Primary Languages Other than English



These values were from a total of 21 respondents who indicated that their first language was not English.